

FBIS

# DAILY REPORT

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*China*

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XINHUA COMMENTARY VIEWS U.S.-SOVIET RELATIONS

OW012039 Beijing XINHUA Domestic Service in Chinese 0914 GMT 1 Nov 84

["Commentary" by XINHUA reporter Mei Zhenmin: "The Trend of Development of U.S.-Soviet Relations" -- XINHUA headline]

[Text] Beijing, 1 Nov (XINHUA) -- The trend of the recent development in U.S.-Soviet relations has caught people's attention. Indications have shown that the tense and cold relations between the United States and the Soviet Union may relax but will not be fundamentally improved.

According to Western news reports, during its first 2 to 3 years, the Reagan Administration of the United States energetically engaged in arms expansion and consequently reversed the imbalance of military strength in comparison with the Soviets. Backed up by strength, it was prepared to use talks as a means to hold "serious negotiations" with the Soviet Union in an effort to force the latter to reach a compromise with them which would be of some advantage to the United States. In his speech on U.S.-Soviet relations in the Senate Foreign Relations Committee on 15 June last year, Secretary of State Georgy Shultz said that the United States "after regaining its strength, is seeking a constructive dialogue with leaders of the Soviet Union." His statement reflected the Reagan administration's strategy. But this strategic idea failed in the wake of the downing of a South Korean passenger jetliner by the Soviet Union and the suspension of the talks on intermediate and long-range nuclear missiles, resulting in Soviet-U.S. relations plummeting to their lowest point since the Cuban missile crisis in 1962. Since the beginning of the latter half of this year, the Reagan Administration has repeatedly posed an alleviatory attitude toward the Soviet Union, called for a U.S.-Soviet summit meeting and the resumption of the arms limitation talks, and proposed economic and cultural exchanges with the Soviet Union. This was to meet the need of the U.S. election campaign, but is seemed to be a manifestation of the Reagan administration's strategic idea. In his speech at the Rand-UCLA Center for Soviet Studies on 19 October, George Shultz reviewed the historical changes in the relations between the United States and the Soviet Union which went through the "cold war" in the fifties, the "detente" process during the seventies, and the "more antagonistic period" in the early eighties. After pointing out that the U.S. policy toward the Soviet Union has "swung from one extreme to another," Shultz called for a U.S. strategy of "strength plus negotiations" and stressed that "maintaining a constructive relationship with the Soviet Union" is in accord with the interests of the United States. He said that the United States "needs to be strong, ought to counter Soviet challenges, and enter into negotiations when it is possible to conduct them successfully." We can see from Shultz's explanation of the U.S. Government's strategy in dealing with the Soviet Union that the United States will attach greater importance to its negotiations with the Soviet Union.

The Soviet Union sensed a change to its disadvantage in the nuclear force balance in Europe since the United States began to deploy its medium-range nuclear missiles in Western Europe. It has thus taken military countermeasures, pursued a hard line toward the United States, and stressed there will be no European theater nuclear arms talks unless the United States dismantles and withdraws its medium-range missiles deployed in Western Europe. With the development of battlefield and tactical nuclear arms in Eastern Europe, the installation of long-range cruise missiles on its naval ships, and the deployment of SS-25 mobile ICBMs in its homeland's western region, the Soviet Union has offset the striking power of U.S. medium-range missiles deployed in Western Europe. It was precisely under this background that Soviet Foreign Minister Gromyko held strategic reconnaissance talks with Reagan in Washington toward the end of September.



On 17 October, following the conclusion of Gromyko's trip to Washington, Konstantin Chernenko, the supreme leader of the Soviet Union, answered questions raised by reporters of THE WASHINGTON POST. During the interview, he put forward proposals in four aspects, that is, the prevention of the militarization of outer space, the nuclear arms freeze, the prohibition of nuclear weapons tests, and the obligation not to be the first to use nuclear weapons. These proposals were put forward for selection by the United States. Chernenko said that "reaching agreement on them -- or at least on some of them -- would mean a real shift in Soviet-U.S. relations."

An article in THE BOSTON GLOBE on 25 October quoted a diplomat from the Soviet bloc as saying that Gromyko's Washington trip and Chernenko's interview with U.S. reporters showed that "the Soviet Union has made a policy decision, preparing to establish a comparatively compromising relationship with the United States over the arms control issue," and "is trying out a more conciliatory foreign policy."

The situation shows that the United States and the Soviet Union are likely to resume holding talks on limiting arms in some fields and thereby ease U.S.-Soviet relations and East-West relations, when the two countries reach a certain parity in the new round of the arms race and when they are influenced and pushed by the forces of domestic and international appeals for detente and dialogue. However, a dialogue backed by strength cannot lead to real detente. The pattern of Soviet-U.S. contention for hegemony will not change, the general tendency of the spiraling arms race between them will not change in a short time, they will not stop contention in various hot-spot regions in the world, and the world situation will remain grim.

#### NAVY COMMANDER LEAVES FOR UK, SFRY 2 NOV

OW020253 Beijing XINHUA in English 0239 GMT 2 Nov 84

[Text] Beijing, November 2 (XINHUA) -- Liu Huaqing, commander of the Navy of the Chinese People's Liberation Army, left here this morning on visits to Britain and Yugoslavia. He was seen off at the airport by Xu Xin, deputy chief of General Staff of the P.L.A. and Yang Guoyu, deputy commander of the Navy.

On hand were Sava Obradovic, Yugoslav ambassador to China, Col. Radosav Djordjevic, Armed Forces attache of the Yugoslav Embassy here, and Col. B. Aldridge, military attache of the British Embassy in China.

#### PRC, OTHER DELEGATES AT UN ON FALKLANDS ISSUE

OW010939 Beijing XINHUA in English 0659 GMT 1 Nov 84

[Text] United Nations, October 31 (XINHUA) -- Many countries urged Britain and Argentina to solve their dispute over the Malvinas (Falkland) Islands peacefully during the General Assembly debate here today.

Javier Arias-Stella of Peru said that Peru appealed to Argentina and Britain to take the necessary steps to establish a proper setting for the beginning of effective negotiations. He added that Peru fully supports the U.N. secretary-general's attempts at getting the two countries to resume their dialogue.

Chilean representative Pedro Daza said that the desire and will for peace could provide a solution for the dispute over the Malvinas (Falkland) and the conflict in the South Atlantic must be settled peacefully.

Colombian representative Carlos Alban-Holguin said that the Latin American countries wished that discussions start without preconditions binding Argentina and Britain.

Porfirio Munoz Ledo of Mexico noted that the nature of the British-Argentine dispute was a question of sovereignty. "Decolonization consists of the restoration of a territory to the state which holds sovereignty over it," he said.

Brazilian representative George A. Maciel said that his country took an unequivocal position in support of Argentina's sovereignty claims over the Atlantic islands.

Jaime de Pinies of Spain said that Spain supported all appeals of the general assembly for Britain and Argentina to find a just solution to the sovereignty dispute that respects the wishes of inhabitants on the disputed islands. Spain, he added, welcomed the declaration of both countries about the non-use of force.

Chinese deputy U.N. permanent representative Liang Yufan called on the two countries to act in consonance with the relevant U.N. resolutions and resume negotiations as soon as possible so that a just and reasonable solution can be found to this problem through peaceful negotiations. "The safeguarding of state sovereignty and peaceful settlement of international disputes are the basic principles of the U.N. Charter," he added. The ambassador declared that the Chinese Government and people have consistently and firmly supported Third World countries and peoples in their just struggle to safeguard state sovereignty and territorial integrity. "We maintain that Argentina's claim to sovereignty over the Malvinas Islands should be respected. We support the secretary-general's mission of good offices in this regard."

Argentine Foreign Minister Dante M. Caputo said that his country's claim and determination to recover the Malvinas Islands would not disappear nor weaken. Argentina, he stated, was firmly committed to seeking a peaceful solution to the controversy.

British representative John Thomson declared that Britain "will not negotiate the fate of the Falkland Islands".

SHULTZ ADDRESSES UN GROUP ON NONPROLIFERATION

OW021050 Beijing XINHUA in English 1031 GMT 2 Nov 84

["Shultz on Non-Proliferation of Nuclear Weapons" -- XINHUA headline]

[Text] Washington, November 1 (XINHUA) -- Secretary of State George Shultz said today although the U.S. has major differences with the Soviet Union on a wide range of arms control issues, "we have broad common interests in the non-proliferation area." Speaking at the United Nations Association of the United States in New York today, the secretary of state said that in the fall of 1982, he and Soviet Foreign Minister Andrey Gromyko agreed to initiate bilateral consultations on non-proliferation, and since then, three rounds of useful discussions have taken place, with both sides finding more areas of agreement than disagreement.

"We expect to confer again on this subject later this month," said Shultz, adding that "it is clear that both countries consider the horizontal spread of nuclear explosives to be in no one's interest. Moreover, we agree that we both have major responsibilities in strengthening the non-proliferation regime." On non-proliferation of nuclear weapons, he said, "we have found common ground not only between industrialized and developing countries, and between nuclear suppliers and nuclear consumers, but between ourselves and the Soviet Union."

He noted that "what we all share is the recognition that nuclear proliferation would aggravate political tensions among nations, heighten regional insecurities, and contribute to vastly greater instability in the world."

Comments on China

OW021012 Beijing XINHUA Domestic Service in Chinese 0120 GMT 2 Nov 84

[XINHUA Domestic Service in Chinese at 0822 GMT on 2 November transmits a service message requesting that the following item be cancelled]

[Text] United Nations, 1 Nov (XINHUA) -- U.S. Secretary of State Shultz said at the United Nations on 1 November that U.S. negotiations with China on an agreement for cooperation in the peaceful use of nuclear energy is of major significance to strengthening the world's nonproliferation structure.

He said: The United States believes that its nuclear cooperation with China "will push forward our political relations with China in an all-round way and is beneficial to U.S. economic interests." He pointed out: The Chinese decision to join the International Atomic Energy Agency was a meaningful step toward strengthening the world nonproliferation structure.

REAGAN WIN IN U.S. ELECTION 'ALREADY SETTLED'

HK010824 Beijing RENMIN RIBAO in Chinese 1 Nov 84 p 6

["Newsletter From America" by Zhang Yunwen: "The Final Week in the U.S. Election Campaign"]

[Text] Washington, 30 Oct -- Well into autumn, the temperature in Washington is an unseasonable 80 degrees, and the political atmosphere is rising fast.



There are only 6 days left to Election Day, and the television reports that preparations for the inauguration of the new president have long been in hand. The fierce contest between Reagan and Mondale for the White House has entered the final sprint.

Public opinion survey groups of all types in America have been exceptionally busy lately. The results of all the polls, including those of the Democratic Party itself show that Mondale lags far behind Reagan everywhere except in his home state of Minnesota and in the District of Columbia.

The two contenders have appeared at all kinds of election rallies in recent days. It is interesting that, in the face of the multicolored balloons, banners, and noisy crowds, both Reagan and Mondale have warned their supporters to pay no attention to the results of the public opinion polls. Although the Republican Party's campaign advisers feel extremely pleased by the public opinion polls, Reagan and his campaign team have repeatedly warned their supporters "not to be overconfident." He has called on everyone to "go out and vote" on 6 November. The Republican Party's strategists are afraid that the party's supporters will stay at home on polling day, thinking that the issue is already decided.

Mondale and his advisers do not appear downhearted. Mondale has advised people not to believe the public opinion survey data. A point he has frequently made at campaign rallies is: "It is the voters, not the public opinion polls, who cast the vote." He is still full of confidence in winning a "1948 Truman-style victory." The papers have been expressing support for one side or the other in recent days. A number of major papers such as THE NEW YORK TIMES and THE WASHINGTON POST have declared their support for Mondale. But the majority of the press favors Reagan. Although some of Mondale's aides privately acknowledge that he is only leading in a few states and "the situation is very sticky," Mondale is determined to make a final effort during the last week of the campaign in a bid to "reverse the tide" and "score the most unexpected political victory since 1948." According to reports, he gets up at 0500 every day, and appears in three or four states each day. During the little time that is left he will fly from east to west and back, and on 5 November, the eve of the decisive battle, he will make his final effort in California.

During this final week, both sides regard winning votes as their main goal; that is, how to win 270 votes in the Electoral College, the minimum for victory. For this reason, those large states with a relatively large number of votes in the College have become the objects of fierce contention. A "battle for the big sun belt states" has unfolded. These states are California, Texas, and Florida, which produce a total of 97 votes in the Electoral College. These are three decisive states. Both Reagan and Mondale have thrown in a lot of manpower and money there. Mondale will try to preserve the Democratic Party's traditional base, while Reagan is concentrating all his efforts on breaking into this region and winning Democratic votes. Reagan will visit 15 states during this final week in a bid to win a crushing victory. Apart from continuing in office, he also hopes to win back the 26 House seats lost during the 1982 midterm elections, restore the alliance with the southern Democrats, and retain control of the Senate.

Public opinion now generally holds that Mondale has not made much headway in winning over wavering Democratic voters. Two-thirds of the independents lean toward Reagan. The development of the economic situation "favors Reagan," and it appears that no dramatic changes will take place in the economy and foreign affairs in the last 5 or 6 days. Hence, the general view is that "the outcome is already settled."



RONG YIREN MEETS U.S. BUSINESSMEN FROM ITT

OW010927 Beijing XINHUA in English 0906 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- Chairman Rong Yiren of the China International Trust and Investment Corporation (CITIC) discussed long-term business here today with James Howard, president of the Gilcron Company under the International Telephone and Telegraph (I.T.T.) Corporation.

Since their arrival in Beijing on October 28, James Howard and his colleagues had signed a contract selling Gilcron's products to China's Poly Technologies Incorporation under the CITIC. Discussions are also underway on technology transfer between Gilcron and the China Electronics Import and Export Corporation.

RONG YIREN MEETS U.S. LAW FIRM DELEGATION

OW020748 Beijing XINHUA in English 0715 GMT 2 Nov 84

[Text] Beijing, November 2 (XINHUA) -- Rong Yiren, vice-chairman of the National People's Congress Standing Committee, met with a law firm delegation from Shearman and Sterling of the United States of America led by Robert Carswell here this morning. Rong Yiren, also chairman of the Board of Directors of the China International Trust and Investment Corporation, discussed cooperation in economic law consultation with the visitors.

U.S. PATROLS HINDER BULGARIAN SHIP NEAR NICARAGUA

OW311741 Beijing XINHUA in English 1546 GMT 31 Oct 84

[Text] Managua, October 30 (XINHUA) -- Defense Minister Humberto Ortega announced here today that U.S. ships, patrol boats and planes had surrounded a Bulgarian ship in Nicaraguan waters to bar it from docking at Nicaragua's ports in what he described as a provocation on the part of the United States. Announcing this at a news conference here, Ortega also indicated that the ship was unloading at the port of El Bluff some 300 kilometers east of Managua on the Atlantic coast.

He said U.S. planes flying over waters in the Pacific and the Atlantic near his country had special purposes, and presumably on spying missions. He disclosed that U.S. planes had dropped mysterious objects in Nicaraguan waters which the Intelligence Department failed to make sure what they were. Ortega did not say what cargoes the Bulgarian ship was unloading, but U.S. intelligence sources in Washington indicated not long ago that Nicaragua may be receiving Soviet MIG aircraft at the port of El Bluff.

HEILONGJIANG DELEGATION VISITS SOVIET UNION

SK020449 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 1 Nov 84

[Text] At the invitation of the USSR-China Friendship Association of the Soviet Union's Maritime, Khabarovsk, and Amur Regions, a five-member delegation of Heilongjiang Provincial China-Soviet Friendship Association, led by Chen Jianfei, adviser of the provincial China-Soviet Friendship Association, and with Wang Yaochen, president of the provincial China-Soviet Friendship Association, as deputy head, left Harbin for Khabarovsk and Maritime Regions by train via Mudanjiang today to attend the celebrations for the 67th anniversary of the October Revolution and to pay friendly visits. Seeing them off at the railway station were responsible persons of the provincial China-Soviet Friendship Association and relevant departments, including Hou Jie, Xie Yunqing, (Zhang Ruoxin), (Wang Qinghua), (Chen Wenzhi), and (Sun Zhijuan).

AFGHAN ECONOMY DETERIORATES UNDER USSR INFLUENCE

OW011937 Beijing XINHUA in English 1927 GMT 1 Nov 84

[Text] Washington, November 1 (XINHUA) -- The increased Soviet military involvement in Afghanistan has further deteriorated the country's economic situation and made Afghanistan more dependent on the Soviet Union.

Today's NEW YORK TIMES quoted a report published in London as saying that more than half a million Afghans now face the prospects of famine as a result of the destruction of villages and irrigation canals by Soviet bombing and the displacement of hundreds of thousands of villagers. Afghanistan has now to increase its import of foreign grain with an estimated 250,000 tons of grain imported annually from the Soviet Union. The London report also said that more than 70 percent of Afghanistan's foreign trade now goes to Comecon (Council for Mutual Economic Assistance) countries. Virtually all of Afghanistan's natural gas production, estimated at 3,000 million cubic meters, is sold to the Soviet Union.

The Soviet Union will supply 100,000 tons of wheat as "grant aid" to Afghanistan and sell it another 100,000 tons this year under an agreement reached in 1983. Meanwhile, the Soviet Union has deployed just along north of the Soviet-Afghan frontier about 50,000 airborne troops which could be sent to Afghanistan at any time the Soviets think it necessary. The Soviet Union has 115,000 occupation troops in Afghanistan, it is reported.

According to reports, at present, 10,000 Afghans are being trained in the Soviet Union as military personnel and another 10,000 as cadres for political and economic organizations. The Karmal troops only numbered about 30,000 despite repeated recruiting drives.

HOW TO IMPROVE SOVIET-JAPANESE RELATIONS VIEWED

HK311329 Beijing RENMIN RIBAO in Chinese 31 Oct 84 p 7

["World Affairs" column: "The Way To Improve Relations"]

[Text] On 25 October, a Supreme Soviet delegation headed by Kunayev, member of the USSR Supreme Soviet Presidium, member of the CPSU Central Committee Politburo, and first secretary of the Kazakh Communist Party Central Committee, visited Japan, thus resuming the dialogue between the members of the Japanese Diet and the USSR Supreme Soviet, which has been suspended since 1980, the year the Soviet Union invaded Afghanistan.

The Japanese placed high hopes on this visit and they intended to try to find out the changes in the Soviet Union's policy toward Japan through this high-level dialogue. However, the Soviet stand, as stated by Kunayev in Japan, was a "direct blow to" the Japanese.

The issue of the four northern islands is crucial to improving the relations between Japan and the Soviet Union. At a meeting with Kunayev, Prime Minister Nakasone said: "Although there are many problems between Japan and the Soviet Union, if the territorial question is settled, great progress will be made in other problems. This is Japan's basic attitude toward the Soviet Union." Kunayev's answer was the Japan's demand was "unacceptable," that "the Soviet Union has no surplus territory," and that "the Soviet Union has decided on its stand on this questions." When the conversation gets disagreeable, to say one word more is a waste of breath. Thus, they had nothing more to say.

The Soviet Union is interested in improving Soviet-Japanese relations and it intends to develop Siberia with Japanese capital and technology to get some substantial benefits. However, it never gives a thought to Japanese interests. How can it improve Soviet-Japanese relations by adopting such an attitude?

The present state of Soviet-Japanese relations is an example which tells us that in international relations, if a country cares about its interests only but not the interests of other countries, subordinates the interests of other countries to its own interests, and even regards the territories of other countries as its own, it can never improve or normalize its relations with other countries. The earlier those people who are used to being self-centered understand this principle the better.

GROMYKO, U.S. ENVOY HOLD TALKS IN MOSCOW

OW010636 Beijing XINHUA in English 0631 GMT 1 Nov 84

[Text] Moscow, October 31 (XINHUA) -- Foreign Minister Andrey Gromyko met here today for two hours with U.S. Ambassador Arthur Hartman and discussed bilateral relations and some international issues.

Moscow and Washington agreed earlier that their foreign ministers and ambassadors should hold regular meetings.



LI XIANNIAN MEETS JAPANESE TRADE UNION GROUP

OW011623 Beijing XINHUA in English 1613 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- Chinese President Li Xiannian expressed the hope here today that Japanese trade unions would contribute to economic cooperation between China and Japan. In a meeting here this afternoon with a delegation from the Japan Confederation of Labor, Li said that Chinese and Japanese Governments, industrial, commercial, cultural and educational circles, and youth were all very friendly toward each other. Therefore, workers of the two countries should have even closer ties of friendship.

Sino-Japanese friendship should be carried on from generation to generation, he added.

Kazukiyo Doi, head of the Japanese delegation and vice-chairman of the federation, expressed the belief that Japan-China friendship would be strengthened continuously. Doi also said that during their visit, they had observed the smooth development of China's modernization. They wished success to this program.

Li said that great efforts should be made in China's economic construction, which would mainly depend on self-reliance, but also need cooperation with other countries. He hoped the Japanese workers would contribute to this.

Doi said that exchanges between workers of the two countries should be strengthened to perpetuate Japan-China friendship. This would benefit both sides, he added.

Present at the meeting were Wang Zhen, honorary president of the China-Japan Friendship Association, and Ji Pengfei, state councillor.

Delegates Honored in Beijing

OW011650 Beijing XINHUA in English 1539 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- The All-China Federation of Trade Unions (ACFTU) hosted a banquet for a delegation from the Japan Confederation of Labor in the Great Hall of the People this evening.

Luo Gan, vice-president of the ACFTU, said in his toast that the visit of such a large delegation from the Japan Confederation of Labor is a major event in the history of exchange between Chinese and Japanese workers. "It shows that friendship between the two peoples is enjoying wider support," he said.

Kazukiyo Doi, head of the delegation and vice-chairman of the Japanese federation, said in reply that friendly contacts between the two peoples have lasted for more than 2,000 years despite some bitter experiences. "However," he added, "we are determined to build a close relationship so that our two countries will never go to war with each other but will live in peace forever."

JI PENGFEI MEETS FORMER JAPANESE LABOR MINISTER

OW011331 Beijing XINHUA in English 1316 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- State Councillor Ji Pengfei met Katsushi Fujii, Liberal Democratic member of the House of Representatives of Japan and former minister of labor, here this afternoon.



The Zhong Shan Golf Course was the first golf layout completed in China in 1949 but had been closed until August this year when American professional golfer Arnold Palmer designed it for reopening.

HU YAOBANG MEETS BURMA'S PRESIDENT 1 NOV

OW011512 Beijing XINHUA in English 1456 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- Hu Yaobang, general secretary of the Chinese Communist Party Central Committee, said today that the Chinese and Burmese peoples should continue their friendship from generation to generation. Hu made these remarks at a meeting with Burmese President U San Yu this morning in Xuzhou, Jiangsu Province, where Hu was on an inspection tour.

Hu said that the two countries had been on very friendly terms since the established diplomatic relations more than 30 years ago.

Chairman U Ne Win had visited China eleven times and the Chinese people would never forget his friendly feelings towards them, Hu said. He wished chairman U Ne Win good health and longevity and Burma prosperity and strength. President San Yu told Hu that he had come to a new place and made new friends.

While introducing Wang Zhaoguo, director of the General Office of the C.P.C. Central Committee, to the Burmese president and his party, Hu said that Wang was one of the young people working at the central level. "We are trying to solve the problem of senility among our cadres and quite a number of young people have been promoted to leading posts at various levels since 1982," Hu said. "This was aimed at a smooth modernization of the country and a continuation of the policies laid down by the C.P.C. Central Committee," he added.

After the meeting, Hu hosted a luncheon for the Burmese visitors. Minister of Light Industry Yang Bo and Vice-Minister of Foreign Affairs Liu Shuqing, who were accompanying the Burmese visitors on their visit, were present. Also present were Han Peixin, secretary of the C.P.C. committee, and Gu Xiulian, governor, of Jiangsu Province.

Later, the Burmese president and his party left Xuzhou for Shanghai. They were greeted at the Shanghai airport by Mayor Wang Daohan upon their arrival in the city. Mme. San Yu, the president's wife, arrived in Shanghai this morning.

[Beijing International Service in Burmese at 1130 GMT on 1 November in a report on the meeting adds: "When President U San Yu briefed the general secretary about the development tasks and situation in Burma, General Secretary Hu Yaobang extended his wishes for harmonious relations among the Burmese nationals [amyo tha mya] and for the progress and prosperity of the country.

"Explaining the friendly relations between the Chinese and Burmese peoples, President U San Yu said Burma practices a policy of peace, and that the settlement of the boundary between Burma and China was an indication of the efforts undertaken by the two governments and peoples."]

BURMESE PAPER HAILS RELATIONS WITH PRC

OW011631 Beijing XINHUA in English 1609 GMT 1 Nov 84

[Text] Rangoon, November 1 (XINHUA) -- The Burmese newspaper, THE VANGUARD, said in an editorial today that President U San Yu's current visit to China will open a new page in Sino-Burmese relations.

The editorial said Burma and China which share a long common border are linked by mountains and rivers. The Burmese and Chinese peoples have had a long-lasting relationship of friendly exchanges and this traditional friendship has developed in recent years into the existing paukphaw (between relatives) friendship, it noted. During the visit to Burma by the then Chinese Premier Zhou Enlai 30 years ago, the two countries jointly declared the Five Principles of Peaceful Coexistence which have since won the wholehearted support of the leaders and peoples of both countries. The editorial said that the president's visit to China is bound to further enhance mutual understanding between the two countries, and to play a positive role in laying the groundwork for more effective cooperation between the two countries on issues of common concern.

#### HONG KONG TRADE OFFICIAL DISCUSSES PROSPERITY

OW291614 Beijing XINHUA in English 1516 GMT 29 Oct 84

[Text] Hong Kong, October 29 (XINHUA) -- A senior Hong Kong official today expressed confidence in the continued prosperity of the local economy. Eric P. Ho, Hong Kong's secretary for trade and industry, described Hong Kong as a "good place" for undertaking business with China. With a population of well over 1,000 million, he added, China is a market manufacturers and businessmen the world over have always been striving to open.

Speaking at the opening ceremony of a consumer products exhibition, Ho said that the British-Chinese joint declaration on Hong Kong initialed last month would ensure the "basic conditions" responsible for Hong Kong's prosperity since the end of the Pacific war. He said that people may count on the declaration for a "guaranteed continuation" of these conditions in Hong Kong -- a sound legal and financial system, a free market economy, freedom in the exchange of currencies and Hong Kong's unique status in international trade organizations. Hong Kong's prosperity can be guaranteed in such a climate for trade, he said.

According to the declaration, China will resume the exercise of sovereignty over Hong Kong with effect from July 1, 1997. The five-day consumer products show is part of the 1984 Hong Kong Trade Fair. Exhibits include garments, motor vehicles, jewelry, toys, gifts and electronic gadgets.

#### RELIGIOUS AFFAIRS BUREAU HEAD MEETS CARDINAL SIN

HK011025 Beijing International Service in Tagalog 1130 GMT 31 Oct 84

[Text] In Beijing, the director of the Religious Affairs Bureau of China's State Council, Ren Wuzhi, met visiting Philippine Jaime Cardinal Sin and members of his delegation. Ren Wuzhi welcomed the cardinal, who is here on a private visit. The director explained China's laws on religion and said that China's Constitution guarantees freedom of worship and protects normal religious activity. He pointed out that religious institutions in China run Catholic seminaries, which put out religious tracts that help in the nation's modernization program. Cardinal Sin, for his part, said Catholics respect all religions and even agnostics, adding that religion should not be forced on anyone. He agreed that religious organizations should help in nation-building. Ren Wuzhi hosted a lunch for the Philippine group at the Beijing Duck Restaurant. The guests included Bishop Zong Huaide of the Chinese Patriotic Catholic Association, and Bishop (Ho Tiesan) of the Beijing Catholic Diocese. Both groups pledged the continued friendship of both their countries.

FOREIGN MINISTRY CLARIFIES NUCLEAR ALLEGATION ON SRV

NC290905 Paris AFP in English 0849 GMT 27 Oct 84

[Excerpts] Hanoi, Oct 27 (AFP) -- Vietnam today strongly denied that nuclear weapons had been deployed at Cam Ranh Bay, the former U.S. naval base that is now being used by the Soviet Union.

Authoritative sources issued the denial here after a French Socialist Party delegation in Beijing said that Chinese leaders had told it that Cam Ranh, south of the port of Nha Trang, had become a Soviet atomic base.

(But in Beijing yesterday, the Foreign Ministry issued a clarification saying that Chinese officials had only told the French delegation that Cam Ranh was a "Soviet military base" -- a frequent Chinese allegation.)

"The allegations by Chinese leaders in Beijing that there are nuclear weapons at Cam Ranh Bay are a pure and simple fabrication. We reject them vehemently," the sources said.

Vietnam, the Soviet Union's main ally in Asian, has repeatedly said that no foreign country would be allowed bases on its territory.

However, the sources reiterated Hanoi's known position that it "has the right to allow Soviet ships and planes to use Vietnamese ports and airports."

"These ships and planes are not a threat to any other country," the sources said.

"The ruling circles in Beijing and in Washington are making a big fuss over the supposed Soviet military base at Cam Ranh to hide their shady maneuvers against Vietnam and other Indochinese people," the sources said.



OFFICIAL'S MESSAGES ON DEATH OF INDIRA GANDHI

Zhao Ziyang at Indian Embassy

OW011104 Beijing XINHUA in English 1036 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- Premier Zhao Ziyang said here today that the death of Indian Prime Minister Indira Gandhi was "a great loss to the Indian people, the Nonaligned Movement and the cause of world peace." He made the statement at the Indian Embassy in Beijing when he was, on behalf of the Chinese Government, extending condolences to the death of Mrs. Gandhi who was assassinated yesterday.

Speaking to Indian Ambassador to China A.P. Venkateswaran, Zhao Ziyang paid tribute to Mrs. Gandhi for her efforts to improve Sino-Indian relations. "We hope that our two sides will make joint efforts to keep this momentum and try to restore the friendly relationship to the level in the 1950's" Zhao said. Zhao also told the ambassador that the Chinese Government had decided to send Vice-Premier Yao Yilin to New Dehli tomorrow to attend Mrs. Gandhi's funeral.

After his arrival at the embassy, Premier Zhao Ziyang observed a silence before Mrs. Gandhi's portrait. He also wrote at the visitors' book: "Profound condolences on the death of Prime Minister Indira Gandhi, an outstanding statesman of India."

Ambassador Venkateswaran thanked Premier Zhao Ziyang for coming. He said that the new Indian Government headed by Rajiv Gandhi would continue to follow Mrs. Gandhi's policies and bring the Sino-Indian relationship better than in the 50s. Noting that considerable improvement had been made in the last few years, the ambassador believed that the existing obstacles would certainly be overcome as both sides cherished sincere desire.

Others paying condolences at the Indian Embassy today were Vice-Chairman Huang Hua of the National People's Congress Standing Committee, State Councillor and Foreign Minister Wu Xueqian as well as leading officials from the Ministry of Foreign Economic Relations and Trade, the Ministry of Culture, the Chinese People's Association for Friendship With Foreign Countries and the Beijing municipality. Wreaths were presented by Premier Zhao Ziyang and Chinese departments concerned.

Greets New Prime Minister

OW011228 Beijing XINHUA in English 1219 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- Chinese Premier Zhao Ziyang in a message to the new Indian Prime Minister Rajiv Gandhi today congratulated him on his assumption of the office of the head of the Indian Government. The message reads: "On behalf of the Chinese Government and in my own name, I wish to express our sincere congratulations and best wishes to your excellency on your assumption of the office of prime minister of the Republic of India. "May the friendly relations between China and India develop steadily."

## Xu Jiatun Expresses Condolences

HK011450 Beijing XINHUA Hong Kong Service in Chinese 1212 GMT 1 Nov 84

[Report: "Xu Jiatun Goes to Indian Commissioner's Office in Hong Kong To Offer Condolences Over Death of Mrs Gandhi" -- XINHUA headline]

[Text] Hong Kong, 11 Nov (XINHUA) -- This morning Xu Jiatun, director of the Hong Kong Branch of the XINHUA NEWS AGENCY, went to the India Commissioner's Office in Hong Kong to offer condolences over the death of Mrs Indira Gandhi. He asked Mr Doddamani, the Indian commissioner, to relay his heartfelt condolences to Mr Rajiv Gandhi, the newly appointed Indian prime minister.

## Yao Yilin Leaves for Funeral

OW020643 Beijing XINHUA in English 0636 GMT 2 Nov 84

[Text] Beijing, November 2 (XINHUA) -- Yao Yilin, special envoy of the Government of the People's Republic of China and vice-premier of the State Council, left here this morning by special plane for New Delhi to attend the funeral of Madame Indira Gandhi. Vice-Foreign Minister Yao Guang left on board the same plane. Seeing them off at the airport were State Councillor and Foreign Minister Wu Xueqian and Indian Ambassador to China A.P. Venkateswaran.

## Arrives in New Delhi

OW021340 Beijing XINHUA in English 1312 GMT 2 Nov 84

[Text] New Delhi, November 2 (XINHUA) -- Chinese Vice-Premier and Special Envoy of the Chinese Government Yao Yilin arrived here this afternoon to attend the funeral of late Indian Prime Minister Mrs. Indira Gandhi. He was met at the airport by Indian Cabinet Minister Bhuta Singh.

Arriving with him were Chinese Vice-Foreign Minister Yao Guang and newly-appointed Chinese Ambassador to India Li Lianqing.

HUANG HUA MEETS FORMER PAKISTANI AMBASSADOR

OW011249 Beijing XINHUA in English 1217 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- Vice-Chairman of the Chinese National People's Congress Standing Committee Huang Hua met and had a cordial talk with former Pakistan Ambassador S. Haider here today.

COMPANY SIGNS CONSTRUCTION CONTRACT WITH NEPAL

OW012000 Beijing XINHUA in English 1941 GMT 1 Nov 84

[Text] Katmandu, November 1 (XINHUA) -- A contract was signed here today for a Chinese corporation to build the Nepalese Employees' Provident Fund central office and shopping complex. This is the first contract project to be undertaken by a Chinese corporation, the China International Water and Electric Corporation, through tenders in Katmandu.

The project includes two main buildings with an area of 15,000 square meters at the contract price of 51.7 million rupees (3 million U.S. dollars). It is expected to be completed in two years. The Nepalese Employees' Provident Fund is a government institution. According to official regulation, the government employees must deposit monthly ten percent of their salaries with same figures by government subsidies in the fund. When employees retire, they can take away the whole deposits and interests. The Provident Fund can be used to invest in different business sectors.

NORWEGIAN PRIME MINISTER MEETS PRC ENVOY

OW010055 Beijing XINHUA in English 0818 GMT 1 Nov 84

[Text] Stockholm, October 31 (XINHUA) -- Norwegian Prime Minister Kaare Willoch today expressed wishes to confer with Chinese Premier Zhao Ziyang again and the belief that the friendly relations between Norway and China will further develop.

Willoch made the remark when receiving Chinese Ambassador Zhang Yongkuan. He said premier Zhao's visit to Norway this June is very successful. Willoch toured China ten years ago, and will start his official visit to the country November 17 at the invitation of Zhao.

BEIJING, MADRID MAYORS DISCUSS FRIENDSHIP

OW011552 Beijing XINHUA in English 1442 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- Mayor of Madrid Tierno Galvan and vice-mayor of Beijing Han Boping today discussed matters related to the establishment of friendly ties between the two cities. The two city leaders also discussed town planning and management.

Mayor Tierno Galvan arrived here yesterday as guest of the Beijing Municipal Government. Peng Chong, vice-chairman of the National People's Congress Standing Committee, met and hosted a dinner for Mayor and Mrs Tierno Galvan and their party later today. Vice-Mayor Han Boping, Spanish Ambassador to China Mariano Ucelay de Montero and Mrs Ucelay were among those present at the meeting and the dinner.

TIAN JIYUN MEETS FRENCH DELEGATION 1 NOV

OW011241 Beijing XINHUA in English 1218 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- Chinese Vice-Premier Tian Jiyun met with a delegation from the High Authority for Audiovisual Communication of France led by its Chairman Michele Cotta in the Great Hall of the People here this afternoon.

GUANGDONG, BRITISH FIRMS SET UP JOINT VENTURE

OW011721 Beijing XINHUA in English 1454 GMT 1 Nov 84

[Text] Guangdong, November 1 (XINHUA) -- A 50 million U.S. dollar-joint venture producing large integrated circuits and micro-computers will be set up in Guangdong Province under a contract signed here today.

The investment will be shared evenly between the Lingnan Microelectronic Industrial Co. of Guangdong and the Lingnan Microelectronics Investment Company Ltd, a British business. The new company will sell 70 percent of its products in China and export the rest, a company spokesman said. Guangdong now goes ahead of the nation in carrying out the open policy.



VICE PREMIER LI PENG MEETS CANADIAN BANKERS

OW010851 Beijing XINHUA in English 0813 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- Vice-Premier Li Peng had a discussion here today with a group of bankers from the Bank of Montreal, Canada, on financing increased trade and on possibilities of financial cooperation.

Li Peng also briefed the visitors on China's plan for developing energy and improving transport facilities. The visitors, led by the bank's president W.D. Mulholland, arrived here yesterday as guests of the Bank of China.

ANNUAL COMECON MEETING ENDS IN HAVANA 31 OCT

OW011719 Beijing XINHUA in English 1604 GMT 1 Nov 84

[Text] Havana, October 31 (XINHUA) -- Leaders of socialist countries in Europe wound up the 39th annual meeting of the Council for Mutual Economic Assistance (Comecon) in Havana today after adopting a final document.

Discussion at the meeting, the council's first ever held outside Europe, focused on the organization's long-term economic program, particularly those of energy production and advanced technology.

In his address to the meeting, Soviet Prime Minister Nikolay Tikhonov promised Soviet aid for less-developed countries in the group, saying his country will "actively participate" in efforts by Cuba, Vietnam and Mongolia to reach a level of economic development comparable to that of Comecon's European member-countries. The Soviet leader also indicated willingness to help Latin American nations in their efforts to industrialize.

Cuban President Fidel Castro said to his speech that his country wants an increased share in industrial programs in order to be able to produce the heavy tractors and trucks which now must be imported from its Comecon partners.

Prior to the meeting, Cuban Vice-President Carlos Rafael Rodriguez told a news conference that his country sought greater industrial development and did not want to remain a producer only of agricultural produce.

During the meeting, U.S. threats against Cuba and Nicaragua came under fire by delegates from the Soviet Union, Cuba and other countries.

Delegates from the group's ten member countries -- Bulgaria, Cuba, Czechoslovakia, Democratic Germany, Hungary, Mongolia, Poland, Romania, the Soviet Union and Vietnam -- attended the three-day meeting. Delegates from Third World countries, the Latin American Economic Commission and the Latin American Economic System were present at the meeting as observers.



WAN LI, OTHERS MEET YOUNG SHANGHAI MANAGER

OW011411 Shanghai City Service in Mandarin 2300 GMT 30 Oct 84

[Report by station reporter (Wang Manhua), from Beijing: "A Young Explorer, A Reformative Practicer," on (Huang Ruicheng), young manager of the General Service Company of East China Teachers University]

[Excerpts] A number of outstanding plant directors and managers from Shanghai and young reformative activists from various parts of the country, full of joy, came to Zhongnanhai on the afternoon of 30 October. They took seats around some leading comrades at the central level and vied to relate their experiences in making reforms. Among others, the remarks made by (Huang Ruicheng) from the General Service Company of East China Teachers University drew great attention from Comrades Wan Li, Hu Qili, and Hao Jianxiu. When this young manager reported to the leading comrades at the central level how he tried to find an efficient, scientific way to manage the supply and service work in his institution of higher learning, Comrade Wan Li chipped in with these words: I fully agree with your opinion. Nodding his approval, Comrade Hu Qili also said: Your orientation is correct, and there are good prospects for what you are doing. I hope you will blaze a new trail and sum up and popularize your experience.

(Huang Ruicheng) was a graduate of the first term from East China Teachers University after the system of the nationwide entrance examination for institutions of higher learning had been resumed. After graduation, this academically outstanding student cadre volunteered to remain in the school to do supply and service work with a desire to explore an efficient, scientific management method. With 5,000 yuan and a small room as the only assets, he and others set up the present cooperative service unit.

It was in this way that (Huang Ruicheng) took up the supply and service work in the school. Later his service company established a pastry store and offered printing and tailor services. It also strengthened the management of a transportation team composed of several cars. All these were aimed at helping to solve the specific difficulties that the teachers and students usually encountered in their daily life. Now this small service company has become an able assistant to the teachers and scientific research personnel of the school and a good helper to both the faculty members and students in their day-to-day life.

Inspired by the spirit of the 3d Plenary Session of the 12th CPC Central Committee, (Huang Ruicheng) has new ideas and plans. He said: [Begin recording] The institutions of higher learning should set up enterprise-type supply and service centers so that the valuable intellectuals in various specialized fields in our country will be able to concentrate their efforts on invention and creation and to work hard to scale the scientific and technological heights in the world. Besides, I am now preparing to set up a Shanghai higher educational institution scientific and technological service organization on the Nanjing Road in Shanghai. This organization will use the modern instruments and equipment available in the universities and colleges in Shanghai to offer various services to meet the needs of society. [end recording]

TIAN JIYUN AT NATIONAL CONFERENCE ON TRADE

HK010538 Beijing ZHONGGUO XINWEN SHE in Chinese 1204 GMT 31 Oct 84

[Report: "Tian Jiyun on the Function of Government Organs After Separating Government From Enterprise Functions"]

[Text] Beijing, 31 Oct (ZHONGGUO XINWEN SHE) -- The central link in the reform of the economic system in China is to enhance the vitality of enterprises.

Without solving the problem of separating government from enterprise functions, it is difficult to truly enliven the enterprises. Does this mean that the functions of the government organs will be weakened? At a national conference on economic relations with foreign countries and foreign trade work held today, Vice Premier Tian Jiyun pointed out: After shifting the work focus of the whole country to economic construction, the functions of government can only be strengthened rather than weakened. The crux of the matter is what to manage and how to manage.

Tian Jiyun pointed out: An important reason for the existing rigid economic system is the failure to separate government from enterprise functions. Government departments have directly and excessively interfered in the administration and management of enterprises. Therefore it is difficult to truly enliven these enterprises. He stressed: The important thing in separating government from enterprise functions is to delegate management power to enterprises so that they can fully exercise decisionmaking power with regard to their own management and administration.

Tian Jiyun added: After separating government from enterprise functions, government organs will free themselves from routine matters. They can devote their attention to discussing issues of primary importance, grasping the overall situation, and doing well in macroeconomic matters. In other words, through working out feasible guiding principles, policies, and plans, they can do well in controlling and coordinating the macro-economy. They can enact adequate law, rules, and regulations to strengthen their supervision and investigation of economic management.

Tian Jiyun stressed: In the past we used to be a "mother-in-law," and we relied on "patriarchal" dignity and power to direct enterprises. Now, we must get off our high horse and become an "attendant" to a considerable degree. We should do organization and coordination work, provide information, and so forth. We should enhance the quality and level of our services so that enterprises will trust us. In other words, we should be good at making use of administrative and economic means so that enterprises will comply with our intentions.

Tian Jiyun reminded cadres of the government departments that since their work has become more and more difficult, they should make new studies, carry out exploration, and exert great efforts so that they can accomplish the task of managing the economy, as entrusted by the country.

#### Foreign Trade Reform Stressed

OW011233 Beijing XINHUA Domestic Service in Chinese 1420 GMT 31 Oct 84

[By RENMIN RIBAO report Liu Xiao and XINHUA reporter Chen Naijin]

[Text] Beijing, 31 Oct (XINHUA) -- Vice Premier Tian Jiyun said, at the national conference on foreign economic relations and trade work on 31 October, that, much as foreign merchants are looking forward to the China market and its tremendous potential, we are prepared to trade part of our market for technology, provided it is really advanced.

In his report, Tian Jiyun stressed firm and successful reform of the foreign trade structure. He said: To meet the needs in the development of the national economy as a whole, and of the policy of opening to the outside world, it is absolutely imperative to reform the current foreign trade structure systematically and comprehensively.

Tian Jiyun said: The 3d Plenary Session of the 12th CPC Central Committee has adopted the decision on reform of the economic structure.

This further reaffirms that opening to the outside world is China's long-term basic national policy, and a strategic measure to step up socialist modernization. For this reason, the status and role of foreign trade in the national economy is much more important than in the past. Certain reforms have already been made in our foreign trade structure since the 3d Plenary Session of the 11th CPC Central Committee. However, there are still the following defects in our current foreign trade structure: No distinction is drawn between the functions of the government and those of the enterprises; the government is wholly responsible for enterprises' financial standing; everybody "eats from the same big pot;" industries and technology on the one hand, and foreign trade on the other, are not linked, and little attention is focused on economic results. All these defects have not yet been thoroughly corrected. This not only hinders the development of our foreign trade, but becomes more and more incompatible with the policy of opening to the outside world, and invigorating the domestic economy.

Tian Jiyun pointed out: Drawing a distinction between the functions of the government and those of the enterprises is an important matter in the reform of foreign trade structure, as well as in that of China's economic structure. It is a pressing need in invigorating enterprises and the national economy as a whole. We have received many recent reports: After the State Council made public the regulations on further expanding enterprises' right to self-decision, some departments took back this right in different and disguised forms, leading to power struggles between administrative corporations and enterprises. These administrative corporations use both administrative and economic means to control enterprises, much more severely than their previous, purely administrative, control. Now, we have to make earnest efforts to draw a distinction between the functions of government and those of the enterprises. Otherwise, reform of the foreign trade structure, and many other reform plans, published and yet to be published, can hardly be implemented.

On distinction between the functions of the government and the enterprises, Tian Jiyun said: Not only the distinction between the functions of the Ministry of Foreign Economic Relations and Trade and those of the foreign trade enterprises should be drawn, the import-export companies of localities, and of other departments should also be gradually separated from their original parent units, ceasing the subordinate relations. Enterprises can be invigorated only when the administrative departments at various levels do not directly interfere with foreign trade enterprises' routine business activities.

Tian Jiyun also touched on the ideological problems among some government cadres, arising after the government and the enterprises have been separated. Some attempt to set up another company to replace the one which has been separated from their department; others, believing that their department may be deactivated, are worried about their future, and are trying to find a way out. He pointed out: After the emphasis of the work of the state has been shifted to economic development, the functions of the government can only be strengthened and not weakened. The real point at question is how to do administrative work, and what that work should be. On the one hand, enterprises must be allowed to take care of their own business and the right to self-decision must be definitely given them; on the other hand, government organizations must do, and do well, what they are supposed to do. There are certain things we should not do. After the government and the enterprises have been separated, the government organizations mainly deliberate major problems, observe the overall situation, do well in macroeconomic control and coordination in order to avoid a serious degree of blindness, so that the national economy develops healthily and harmoniously. We have been used to being "the old man" in the past, resting on patriarchal dignity and power.



Now, we have to drop our airs and, to a very great extent, become "attendants," for instance, doing coordination work and supplying information. We have to win enterprises' trust by the quality and standard of our service. Indeed, our work is more difficult. Our cadres show all the more exert themselves to manage the economy, a task the state has entrusted to us.

About the import-export commission system [Ji li zhi 0108 3810 0455], Tian Jiyun pointed out: Foreign trade enterprises engaged in the import and export business must earnestly improve their operation style, and offer quality service on the strength of the experience they have accumulated in international trade activities over a long period, and extensive and stable business connections. Existing specialized foreign trade corporations and big companies must play their backbone role in international trade to the full. The large number of specialized companies, companies from localities and big and medium-sized companies with good conditions must also have full rights to self-decision in foreign trade.

Tian Jiyun said: An outstanding defect of the current foreign trade structure is divorce of industries and technology from foreign trade, and imports from exports. It is almost an international custom to bring in technology along with imports. Yet, we have failed to do so for a long time. Currently, competition in the international market is unprecedentedly acute. We should fully avail ourselves of this opportunity, and select suitable targets, and import advanced technology, along with the equipment, and goods we buy. We must achieve results in linking industries and technology with foreign trade, and imports with exports.

Tian Jiyun finally stressed: We have to be both firm and realistic in reform of the foreign trade structure. We must avoid, at all costs, rash actions, "doing things uniformly" and "following the bandwagon in a hurry," which would turn a success into a mess. We must carry out a program in a down-to-earth manner, where we are sure of success, and experiment, continue to explore, and sum up experience, where we are not sure of success.

#### JIEFANGJUN BAO ARTICLE ON STUDYING CPC DECISION

OW312351 Beijing Domestic Service in Mandarin 0200 GMT 31 Oct 84

[Report on 31 October JIEFANGJUN BAO commentator's article: "Apply Our Experiences in Party Rectification To Study the Decision Well"]

[Text] The article says: The 3d Plenary Session of the 12th CPC Central Committee made the important policy decision to restructure the entire national economy with the focus on the urban economy.

How can we study the document well and achieve unity in thinking? The first group of Army units carrying out party rectification has gained a great deal of useful experience in this regard, and we should apply such experience in studying the decision. For example, to study the decision well, it is necessary to sit down and concentrate on a systematic study of the decision and to stress the quality and results of such study. In addition, it is necessary to study the decision in connection with what is on one's mind in order to clarify any confused ideas. At the same time, efforts should be made to create a lively democratic atmosphere in which all can speak out freely and discuss with and enlighten one another so as to enhance understanding of the decision.

In general, many of our Army comrades do not have a solid theoretical foundation and are not familiar with economic work. To grasp the guidelines laid down in the decision, we must make greater efforts to study them.



We should not skip portions of the decision because we cannot understand them at the first reading, nor should we skip other portions because they are difficult to understand. Only by gaining a profound understanding of the decision can we have a good grasp of the guidelines set forth in it.

The following situations often occurred in past political studies under the influence of erroneous leftist guidelines: merely quoting others, adopting a hypocritical attitude, paying lip service, and making gestures to give the impression of engaging in study; or treating differing views as a matter of principle and knocking them down at one stroke. Practical experience has proved that such study is not useful but harmful, and we must not repeat such practice.

#### ZHANG TINFA RECEIVES FEMALE PILOTS 31 OCT

OW010951 Beijing Domestic Service in Mandarin 1200 GMT 31 Oct 84

[Text] Zhang Tinfu, member of the Political Bureau of the CPC Central Committee and commander of the PLA Air Force, and Gao Houliang, political commissar of the PLA Air Force, received China's fifth batch of female pilots in Beijing this afternoon. They congratulated them on their glorious admission to the pilot ranks of the people's Air Force.

The People's Air Force has trained four other groups of female pilots in the 35 years since the founding of this country. Those who were received in Beijing today are China's first batch of female pilots who have finished their college education. Their average age is below 21.

#### XI ZHONGXUN GREETES DEMOCRATIC LEAGUE MEETING

OW010528 Beijing XINHUA Domestic Service in Chinese 1148 GMT 30 Oct 84

[Text] Beijing, 30 Oct (XINHUA) -- The China Democratic League opened its meeting to exchange experiences in serving the four modernizations this morning in Beijing.

Xi Zhongxun, member of the Political Bureau and the Secretariat of the CPC Central Committee, wrote the following congratulatory inscription for the meeting: "It is good to see that the efforts to serve the four modernizations have already yielded fruitful results and it is hoped new achievements will be recorded again in efforts to revitalize China."

In the past few years, the China Democratic League has given scope to its intellectual superiority -- as the majority of its members are intellectuals in the cultural, educational, and science and technological circles -- to gear its service to the society. It has run lectures and schools, offered science and technical consultations, sent intellectuals to support the frontier regions, and carried out other activities that represented new approaches to serving the four modernizations. Its new contributions have won high praise in all circles of society. In the past 5 years, the titles model workers, advanced workers, model teacher, and "8 March" red-banner holder have been conferred on more than 18,000 league members. Each of the over 200 league members attending the meeting is an advanced person or model who has made outstanding achievements on the cultural, educational, or science and technical front. During the meeting, they will review their fruitful results, exchange experiences, commend the advanced, enhance morale, and step up the efforts of the whole league to carry out the work of serving the four modernizations.

In an opening speech, Chu Tunan, vice chairman of the Central Committee of the China Democratic League, expressed his hope that everyone would seriously study and understand the guidelines of the 3d Plenary Session of the 12th CPC Central Committee, make further efforts to bring the initiative and creativity of intellectuals into play, and make even great contributions in promoting the reform of China's economic structure, realizing the four modernizations, and revitalizing the Chinese nation.

Yang Jingren, director of the United Front Work Department of the CPC Central Committee, came to the meeting to extend congratulations and deliver a speech. In his speech, he praised the China Democratic League for its achievements in serving the drive for the four modernizations and hoped the league members would carry forward their achievements, redouble their efforts, and make even greater contributions.

Liu Lantao, vice chairman of the CPPCC National Committee; and Jia Yibin, Jiang Daning, Chen Shunli, Fang Rongxin, Lu Rongshu, Hao Yichun, and Zhen Jian, responsible persons of the various other democratic parties and All-China Federation of Industry and Commerce, also came to the meeting to extend their congratulations. Sa Kongliao, Li Wenyi, Wen Jiasi, Gao Tian, and Ye Duyi, vice chairmen of the Central Committee of the China Democratic League, attended the meeting.

#### RENMIN RIBAO ON NATIONAL OVERSTOCKING OF TIMBER

HK260853 Beijing RENMIN RIBAO in Chinese 17 Oct 84 p 5

[Report by reporter Zhang Zhiye: "Where is the Crux of Overstocking of Timber?"]

[Text] This reporter has learned from the Ministry of Forestry that the problem of nationwide overstocking of timber, which began in 1982, has not only not yet been resolved but has become more serious. By the end of June this year, the country's timber stock amounted to some 28 million cubic meters, about 94.7 percent of this year's target for timber submitted to the state.

Where is the crux of the large overstocking of timber?

1. Production, transportation, and sales are disjointed. There is no central department responsible for overall arrangements and planning. After the separation of administration for production and sales in 1978, forestry departments have been in charge of production, and material departments in charge of transportation and distribution, resulting in the failure to circulate information, the separation between responsibility and power, the many unmarketable products, and the yearly increase in timber overstocking. Central leading comrades have repeatedly put forth suggestions for resolving the problem concerning the overstocking of timber, but it has not yet been resolved because several departments concerned have failed to coordinate well.

2. There are too many procedures for and restrictions on examining and approving the timber delivery. As a result of the excessive import of plywood in the first half of this year, the plywood produced by various provinces in south China could not be distributed, and all these provinces requested setting their targets lower and for permission to sell the plywood themselves. But some relevant departments refused to relax restrictions, resulting in the large timber overstocks. Last November some relevant departments even imposed such restrictions that they must examine and approve orders for delivering timber not allocated by the state through Dezhou in the north. Consequently, not a single railway car was dispatched in January for delivering such timber from Jilin through Dezhou. Because there were no railway cars, timber deliveries were basically suspended in February, causing a loss of more than 2 million yuan.

According to the Yichun Forestry Bureau in Heilongjiang, at present, delivering a railway car of timber not allocated by the state should be approved by eight departments, (the Forestry Bureau, the railway station, the Railway Bureau, the Forestry Management Bureau, the Forestry General Bureau, the Ministry of Forestry, the State Goods and Materials Bureau, and the Ministry of Railways). Going through all these procedures usually costs some 100 yuan, which means each chop costs more than 10 yuan and the whole procedure lasts about 2 to 3 months.

In order to thoroughly resolve the problem of timber overstocking, the relevant comrades of the Ministry of Forestry wished to change the situation in which restrictions are imposed by several departments on forestry enterprises, functions and responsibility fail to be clearly defined, and responsibility and power are separated. In order to reform the over-elaborate procedures for examining and approving timber deliveries while bringing into full play the role of various transportation means, it is better for local forestry departments and railway transportation departments to examine and approve such procedures.

It has been learned that some changes have now taken place in the supply and demand of timber. In some areas, timber prices beyond the state plan have dropped and the previous short supply of timber has improved. Therefore, relevant comrades of the Ministry of Forestry hold that under the present situation of timber overstocks, there must be a comprehensive balance between imports and domestic timber production. The felling of trees should be reduced or terminated in some areas in order to preserve forest regions on the one hand and improve the overstocking of timber on the other. It is necessary to set reasonable targets for both consumption and timber stocks in order to bring the timber stocks to a reasonable level as soon as possible.

#### NATIONAL TV STATION DIRECTORS MEETING CONCLUDES

HK311211 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 30 Oct 84

[Text] A 7-day meeting for television station directors of the country concluded successfully in Guiyang on 29 October. Directors and deputy directors from 37 television stations throughout the country summed up the television propaganda work in celebrating the 35th anniversary of the founding of the PRC and the conditions of and experiences in relaying television programs, centering on the theme of doing a good job in television programs. They earnestly studied the CPC Central Committee's decision on economic structural reform, and discussed their plan for propaganda work in the next stage, and the program schedule for the 1985 New Year and Spring Festivals.

The current meeting will play a good role in promoting propaganda concerning the economic structural reform to be carried out and the reform of the television stations themselves.

At the concluding ceremony, prizes in the form of certificates and funds were conferred on the 37 stations which won prizes through appraisal and discussion. Those which won prizes for excellent performances are the Beijing, Tianjin, Shanghai, Heilongjiang, Yunnan, Sichuan, Hunan, Hubei, Fujian, Jiangsu, Chongqing, and Wuhan television stations. Those which received prizes for excellent programs are Hebei, Nei Monggol, Gansu, Qinghai, Guizhou, Henan, Zhejiang, Jiangxi, Anhui, and Shandong television stations. Those which received souvenir medals are Guangdong, Jilin, Liaoning, Shanxi, Ningxia, Shaanxi, Guangxi, Dalian, Daqing, Xiamen, Nanjing, Qiqihar, Dandong and Xizang television stations.

#### FIRST ROBOT TECHNOLOGY COMPANY IN PRC OPENS

OW010112 Beijing XINHUA in English 0104 GMT 1 Nov 84

[Text] Shanghai, November 1 (XINHUA) -- China's first robot technology development company opened for business here today.



The company will provide Chinese firms with technology for making industrial robots, said Deputy Manager Lu Xueshi. Lu, 48, is Chinese coordinator of the international symposium on industrial robots and a member of the editorial board of the journal, ROBOTICS, published by Cambridge University.

"The Shanghai Municipal Robot and Intelligence Technology Development Co. Ltd. will import foreign robots and technology," he said.

With a registered capital of 4.2 million yuan, the company was set up by 70 former university teachers and researchers. It has ten subsidiaries including those specializing in developing computers and software for robots and video technology.

#### RENMIN RIBAO ON DEVELOPING TERTIARY INDUSTRY

HK311355 Beijing RENMIN RIBAO in Chinese 29 Oct 84 p 5

[Article by Lu Jian: "Pay Attention To Developing Tertiary Industry"]

[Text] The decision on the reform of the economic structure at the 3d Plenary Session of the 12th CPC Central Committee points out that: After separating government administration from enterprise management, it is necessary to give play to the role of cities as centers of the economy, information, science, technology, and education. I think that this is an important breakthrough. For a long time in the past, we only regarded cities as industrial centers of respective areas and were not aware of their multiple functions as trade centers, financial centers, consumption centers, information centers, scientific and technological centers, and educational centers. This has greatly weakened their role in giving impetus to neighboring areas. At present, the party has confirmed the multiple functions of cities, thus pointing out the road to the gradual formation of open-door interregional and interdepartmental economic zones and economic networks backed by central cities.

In order to ensure that central cities will be able to give play to their multiple economic functions, we must pay great attention to developing tertiary industry, that is, production and service trades such as commerce, foreign trade, finance, insurance, leasing, advertising, information, advisory service, telecommunications, transportation, scientific research, culture, education, medicines health protection, tourism, and recreation, in addition to separating government administration from enterprise management and stepping up construction of basic facilities in cities. These numerous service trades are carriers of the multiple functions of cities. The faster they develop, the more the services before and after production and the services for daily life they provide for enterprises and the society, the greater will be the central cities' attraction to the neighboring areas and their impetus given to them. Without great efforts made by these trades in conducting trade between the urban and rural areas, organizing circulation of funds, passing on economic information, developing industrial technology, providing special technology, and offering services for consumers, giving full play to the role of central cities will become mere empty talk.

However, in developing tertiary industry, we cannot take the old road of merely depending on the state for funds and subsidies. The tertiary industry is not philanthropy. It should be run as an enterprise and it should develop according to the pattern on service -- gaining profits -- accumulation -- expanding production. Only if the tertiary industry is run in this way will it have inherent motive force and vigor.



The practices of some state-run institutions of payment for information, payment for advisory services, payment for technology transfer, compensation contract for scientific research, and compensation for the allocation of personnel specialized in a certain field are effective forms for developing the tertiary industry and should be encouraged and advocated. At the same time, relaxed policies should be implemented. On the one hand, boldly develop various collective and individual production enterprises and enterprises for providing services for daily life, such as credit cooperatives, small insurance companies, information companies, advertisement companies, advisory companies, technology development companies, private research institutes, private spare-time schools, private clinics, automobile rental companies, beauty parlors, tea houses and recreational grounds. On the other hand, appropriately raise the charges for services whose supply falls short of demand so that these services can be profitable. Only in this way can the enthusiasm of various sectors be aroused and various economic potentials of the society be fully tapped for speedily invigorating tertiary industry.

WANG ZHEN, OTHERS AT HONGQI AWARDS MEETING

HK010543 Beijing HONGQI in Chinese No 19, 1 Oct 84 p 40

[Report by Xiao Shen "HONGQI Holds an Awards Meeting for Outstanding Theoretical Articles"]

[Text] On 21 September HONGQI magazine held an awards meeting in Beijing for outstanding theoretical articles. Invitations to attend the meeting were accepted by Comrade Wang Zhen, Hu Qiaomu, Deng Liqun, and Bo Yibo of the party Central Committee. Some 200 people attended the meeting including the authors of the 22 winning articles, experts and scholars involved in checking and evaluating the articles, responsible persons from theoretical circles and journalistic work units in the capital city, and liaison personnel from various provinces, cities, autonomous regions, and the PLA presently in Beijing to attend a HONGQI magazine meeting, as well as representatives of HONGQI primary subscribers.

At the meeting Comrades Wang Zhen and Bo Yibo gave enthusiastic speeches. They warmly congratulated the winning authors and expressed their desire to see a further linking of theory with reality among the masses of theoretical workers and the utilization of the general principles and basic concepts of Marxism-Leninism-Mao Zedong Thought and to provide theoretical elucidation and encapsulation of the many new questions which are cropping up in reforms and the construction of the four modernizations as well as a series of new questions which are appearing in the new technological revolution.

The aim of the selection of outstanding theoretical articles by HONGQI magazine is to further encourage and mobilize the enthusiasm of theoretical workers to study actual problems and questions and thus implement even more successfully the directive, made by Deng Xiaoping, printed in HONGQI magazine at the time the 25th anniversary of its publication was being celebrated which read "theoretical work must serve socialist modernized construction." The articles to be evaluated all came from theoretical articles printed in HONGQI magazine since the 3d Plenary Session of the 11th CPC Central Committee (mainly since the 6th Plenary Session of the 11th CPC Central Committee) and up to the end of last year. The standards for selection were: 1) correctness of political and theoretical concepts; 2) linking of theory with reality, defining theoretical depth, a positive effect on the construction of the two socialist civilizations; and 3) a good style of writing. The 22 winning articles were selected after listening fully to opinions of the readers and experts, after a full integration at all levels and both inside and outside HONGQI magazine, and repeated assessment and evaluation.

Thus they were selected from over 1,500 articles. (Article written by party and state leaders or by those from HONGQI magazine publishing house were not included in the assessments.)

The meeting was chaired by the editor in chief of HONGQI magazine, Xiong Fu, while deputy editor in chief Ma Zhongyang provided an explanation of the assessment and evaluation.

#### NAVY SENDS SALVAGE VESSEL WITH ANTARCTICA SHIP

OW271303 Beijing XINHUA Domestic Service in Chinese 0806 GMT 27 Oct 84

[By reporter Qiu Weimin]

[Text] Beijing, 27 Oct (XINHUA) -- The PLA Navy will dispatch a 10,000-ton class salvage and rescue vessel to accompany the Xiangyanghong No 10 scientific survey ship on its voyage to the South Pole in an effort to help Chinese scientist carry out their first exploratory mission in the Antarctic Circle and Antarctica.

The salvage-rescue vessel No 121, designed and built by Chinese workers, is equipped with sophisticated navigation, power, communication as well as salvage and rescuing gear. It has also vessel-based helicopters. Its primary mission in the South Pole is to perform salvage and rescue operations, transport equipment and supplies, and help the survey team establish China's first scientific exploration station on the Antarctic Continent.

Efforts to check the vessel's engines and other machinery and equipment are being stepped up by commanders and fighters on board while the vessel-based helicopter pilots are combing the sea, flying various training sorties. Inspired by Comrade Deng Xiaoping's inscription "Contribute to Mankind's Peaceful Use of Antarctica," they are determined to successfully accomplish the task assigned them by the party and the motherland's people.

Wan Li, Hu Qili on Mission

OW010203 Shanghai City Service in Mandarin 2300 GMT 29 Oct 84

[Text] The 10,000-ton, large-sized scientific survey ship Xiangyanghong No 10, fully fitted with new equipment, docked at the wharf of the Donghai Subbureau of the State Oceanic Bureau at 1300 on 30 October after a 7-day trial voyage. The Xiangyanghong No 10 is our country's first remote-expedition ship to carry out scientific surveys in the Antarctic.

Furthermore, our station reporter (Du Lieming) quotes the Antarctic survey team leader (Go Peng) as saying in an interview in Beijing the other day: Our 50-member scientific survey team will arrive in Shanghai in two separate groups, one on 4 November and the other on 6 November. Several hundred tons of supplies needed for the survey have been shipped to Shanghai.

(Guo Peng) said: The major task of this voyage is to establish our country's first scientific survey station on Antarctica. The leading comrades of the central authorities are very much concerned about the team members. Wan Li and Hu Qili have called on them to go and return safely. They have also called on them to regard hardship as an honor and seek pleasure in hardship. We must plant the solemn five-star red flag on Antarctica and fulfill the tasks of establishing the station and carrying out scientific research and surveys.

#### NATIONAL RURAL INSURANCE CONFERENCE HELD

HK311216 Changsha Hunan Provincial Service in Mandarin 1100 GMT 30 Oct 84

[Text] From 20 to 30 October a national rural insurance work conference was held in Changsha.

The conference, the first of its kind in the country, proposed that in order to meet the requirements of the development of commodity production in the rural areas, it is necessary to actively develop rural insurance work. Since the 3d Plenary Session of the 11th CPC Central Committee, insurance work has been universally developed in the country, covering insurance for the assets of township and town enterprises, the assets of families in rural areas, and the communications and transportation facilities in rural areas. With regard to insurance in the breeding industry alone, 25 categories have been covered. From January to August 1984 more than 5 million households in the country had been insured against losses in assets of families in rural areas, over 1.68 million mobile cars had been insured, and 100,000 large animals and 300,000 pigs had been insured. Also, more than 12.42 million mu of cultivated crops had been insured. Thus, insurance has provided a dependable economic guarantee for the development of rural commodity production, and for the production and livelihood of the peasants.

The national rural insurance work conference proposed: From now on, the breeding industry and the planting industry should be regarded as the centerpiece in rural insurance work. It is necessary to step up the establishment of the system of economic compensation in the rural areas. It is essential to further set up and perfect the insurance agency network and points in the countryside. With respect to various kinds of specialized households and households doing specialized jobs, still greater efforts should be exerted to provide different kinds of insurance services.

#### DENG URGES PLA SUPPORT FOR ECONOMIC DEVELOPMENT

JIEFANGJUN BAO Report

OW020216 Beijing Domestic Service in Mandarin 2230 GMT 1 Nov 84

[Text] According to report by JIEFANGJUN BAO, Deng Xiaoping, chairman of the Central Military Commission, delivered an important speech at a discussion meeting of the Military Commission on the morning of 1 November. He pointed out: In light of the current needs of the whole party and government and the people throughout the country to wholeheartedly subordinate themselves and attend to the overall interests of national construction, the PLA has its share of responsibility. The PLA should take action in close coordination with the overall situation.

Deng Xiaoping said: Now, our country is indeed full of vitality. After visiting our country, many foreign friends have said that from what they saw, China is a scene of prosperity and vitality. An important reason for the prosperous and lively situation lies in the fruitful results of our rural economic policies in the past 5 years, particularly in the last 3 years. This situation has created the necessary conditions for an overall reform of the economic structure. It has also greatly firmed our confidence. Based on the experience in rural areas, we are determined to restructure the whole national economy with the focus on urban areas. In my opinion, we will be able to achieve fruitful results in 3 years. With the success in restructuring the national economy, we will be able to fulfill or surpass, by a big margin, the goal to quadruple the annual gross value of industrial and agricultural production.

Chairman Deng Xiaoping urged all PLA units to give serious thought to the question that has a vital bearing on the future of our country and to make efforts for the overall situation. He said: All branches of the PLA -- such as the Air Force, the Navy and the Commission of Science, Technology, and Industry for National Defense -- should consider releasing some of their strength to support the development of the national economy. For instance, the Air Force may divert some of its equipment and technical personnel to embark on joint military-civilian projects or civilian projects and support the state in developing civil aviation. The Navy may share its harbors with the civilian authorities, or release some of its harbors for civilian use so as to augment the cargo-handling capacity of China's ports.



The national defense industry has good equipment and a powerful technical force. It should take full advantage of its technical force to take part in national construction and energetically develop the production of products for civilian use. To do so will yield a hundred gains and no harm at all. Deng Xiaoping said: After the overall situation has improved, other problems related to Army building can be easily solved.

Deng Xiaoping pointed out: To train qualified personnel who are capable of both military and civilian jobs is also conducive to the overall situation. The PLA has done a good job and has scored achievements in this respect. The qualified personnel are very useful to the local areas. Various kinds of technical personnel such as drivers and people with special skills are welcomed by the local areas. After receiving training in a specific field, army cadres transferred to civilian jobs can perform many services for the local areas. But we should see to it that army cadres transferred to civilian jobs should not be concentrated in big cities because after the economy is enlivened, they will be needed in many places.

Chairman Deng Xiaoping also discussed the questions of making leading bodies at various levels in the PLA younger in average age and of further reducing surplus personnel in the PLA. He said: The question of making leading bodies younger in average age was solved at and below the corps levels in last 2 years. But the question has not been solved at higher levels. To resolve this question, it is necessary to, first of all, select outstanding personnel and, once clearly identified, promote them to important or more important posts. Second, it is necessary to vacate the position. It is hoped that some enlightened personages will appear in the PLA.

Chairman Deng Xiaoping said: There is a more important reason for reducing surplus personnel in the PLA. It is to raise the quality of the PLA. While reducing surplus personnel, it is imperative to promote young and middle-aged comrades to leading posts.

#### XINHUA Report

OW011822 Beijing XINHUA Domestic Service in Chinese 1432 GMT 1 Nov 84

[By reporter Liu Huinian]

[Text] Beijing, 1 Nov (XINHUA) -- Deng Xiaoping, chairman of the Central Military Commission delivered an important speech at a discussion meeting of the Military Commission today. He emphasized that the PLA should subordinate its work to the overall interests of national construction and energetically support the state in developing the national economy in consideration of the overall interests.

Deng Xiaoping first gave a brief account of the current excellent situation in China. He pointed out that at present, our country is full of vitality, presenting a scene of prosperity. This is an excellent situation that has emerged since the 3d Plenary Session of the 11th CPC Central Committee, particularly in last 3 years. This excellent situation has created the necessary conditions for an overall reform of the economic structure. It has also greatly firmed our confidence. We have fulfilled the Sixth 5-Year Plan ahead of schedule and made tremendous achievements in all work. The 12th CPC National Congress set the objective of quadrupling the annual gross value of industrial and agricultural production by the end of the century. The objective can certainly be accomplished. He said: To accomplish the objective will be an amazing thing. It will not only make the people of our country become well-to-do, moreover, it will also greatly increase our country's economic strength. Deng Xiaoping also pointed out: At present, we have begun the reform of the economic structure, with the focus on the urban economy. If we do this work well, we will surely be able to attain or overfulfill the objective of quadrupling the annual gross value of industrial and agricultural production.



Deng Xiaoping said: The form has been done better and faster than anticipated and it is full of promise. Now, it is necessary for the party, the government, the Army, and the people in our country to subordinate themselves wholeheartedly to the overall interests of national construction and take the overall interests into account. He emphatically pointed out: Our Army has a responsibility to subordinate itself to the overall interests of national construction and act in consideration of the overall interests. All quarters of the Army should consider how to support and take active part in national construction, because they all have something to do with it.

He said: All branches of the PLA, such as the Air Force, the Navy, and the National Defense Science, Technology, and Industry Commission alike, should consider releasing some of their strength to support the development of the national economy. For instance, the Air Force may divert some of its equipment and technical personnel to embark on joint military-civilian projects or civilian projects and support the state in developing civil aviation. The Navy may share its harbors with the civilian authorities, or release some of its harbors for civilian use so as to augment the cargo handling capacity of China's ports. The national defense industry has good equipment and a powerful technical force. It should take full advantage of its technical force to take part in national construction and energetically develop the production of products for civilian use. To do so will yield a hundred gains and no harm at all.

Deng Xiaoping said: The PLA should energetically support national construction, help the country attain the objective of quadrupling the annual gross value of industrial and agricultural production sooner, and fully develop our national economy. It will be easy to build up national defense when the national power is greatly strengthened.

Deng Xiaoping pointed out: To train qualified personnel who are capable of both military and civilian jobs is also conducive to the overall interests. He said: In the last 2 years, the PLA has done a good job and made great achievements in training personnel who are capable of both military and civilian jobs. In view of the overall interests of national construction, the localities welcome the PLA efforts to train such personnel. As the PLA has paid attention to this orientation and done good work in this respect, it is easier for the PLA cadres and fighters to be transferred to civilian work. Our Army has trained many specialized personnel. The transfer of some of them to civilian trades and professions is a support to the civilian community.

Deng Xiaoping also discussed other important questions, such as how to further reduce surplus personnel from the PLA, make the cadre ranks younger in average age, and undertake structural reform.

#### STATE COUNCIL APPOINTS NEW VICE MINISTERS

OW011157 Beijing XINHUA Domestic Service in Chinese 0852 GMT 1 Nov 84

[Text] Beijing, 1 Nov (XINHUA) -- The State Council has appointed and removed several state functionaries.

On 25 September 1984, the State Council appointed Wang Min [3769 3787] (female) vice minister of chemical industry and Lin Hanxiong [2651 3352 7160] director of the State Building Materials Industry Bureau and removed Du Enxun from his post as director of the State Building Materials Industry Bureau.

On 10 October 1984, the State Council appointed Chen Shineng [7115 1102 5174] vice minister of light industry and Chen Minzhang [7115 2404 4545] and Gu Yingqi [7357 5391 1142] viceministers of public health.

LANDLORDS, 'BAD ELEMENTS' REHABILITATED

OW020411 Beijing XINHUA Domestic Service in Chinese 0937 GMT 1 Nov 84

[Text] Beijing, 1 Nov (XINHUA) -- The nationwide task to remove the designations of landlords, rich peasants, counterrevolutionaries, and bad elements from more than 79,000 persons, the last group of persons to be rehabilitated, has been successfully concluded, according to the Ministry of Public Security. Thus, the task to educate and reform more than 20 million persons under these four categories since the founding of the republic has come to a victorious end.

Removing the designations from these four categories of people has been an important policy of the party Central Committee since the 3d Plenary Session of the 11th CPC Central Committee. It is also a continuation of the task to remove designations from the absolute majority of these four categories of people in accordance with the 1979 "Decision of the CPC Central Committee on the Question of Removing the Designations of Landlords and Rich Peasants and the Question About the Class Status of the Children of Landlords and Rich Peasants."

The task was begun in July 1983. Party committees and governments at all levels attached tremendous importance to this task and made timely deliberations and arrangements -- extensively publicizing the party's policy among basic-level cadres and the masses so that they achieved unity in thinking, carrying out ideological and educational work among persons under the four categories and their families, relying on the masses to investigate and verify these persons' conditions, and making case-by-case appraisals. The work was carefully and reliably done. There were 79,504 people under the four categories. Among them were 28,227 landlords, 14,343 rich peasants, 16,260 counterrevolutionaries, and 20,674 bad elements. Of the total, 78,327, or 98.5 percent, have had their designations removed. Among the total, 982 were found to be mistakenly designated and this was duly corrected. The remaining 195 were committing criminal activities at the time and they were arrested according to law or subjected to education through labor. A very small number of the more than 79,000 had committed very minor offenses of the law. They were earnestly helped by the masses through education after their designations were removed. In many places, designations of the deceased were also removed at the request of their families and after it was verified that they had been successfully reformed before death. Designations of persons who had left the country were all removed and their families have been informed.

MINISTERIAL OFFICIAL TELLS POLICE TO GET SMART

OW011209 Beijing XINHUA in English 1129 GMT 1 Nov 84

["Police Told To Get Smart" -- XINHUA headline]

[Text] Beijing, November 1 (XINHUA) -- China's entire police force is being sent back to school to bring all officers' education up to at least senior secondary school standard, it was stated here today.

And from now on all new recruits will be police school graduates who already have a senior secondary education, said Cai Cheng, an official at the Public Security Ministry in charge of police training. He told a national conference on police education that it was imperative to train a highly-qualified police force to meet the country's needs in its modernization drive.

In the past, middle school graduates have been recruited, but over the next four or five years, all officers will receive special training to improve their educational level.

By the end of 1990, all the directors of public security bureaus at and above county level will have received a higher education.

Cai said there was a critical shortage of officers with technical skills. An educational system suited to the needs of public security work should include training in management, science and technology, crime prevention, criminal investigation and forensic medicine, he said.

At present, only a very small percentage of officers were college graduates, he said.

China now has 17 universities or colleges for police, including the Chinese People's University of Public Security and the Chinese People's University for Police Officers, both opened three weeks ago.

In the past five years, about 40,000 students have attended colleges and schools, and some 35,000 are now studying at them.

Cai called for the establishment of one police college in each province, municipality and autonomous region. Other measures he suggested to improve police education include television and correspondence courses, night school classes and professional training courses.

#### COASTAL CITIES WELCOME FOREIGN INVESTMENT

OW011843 Beijing XINHUA in English 1835 GMT 1 Nov 84

[Text] Shenzhen, November 1 (XINHUA) -- China is ready to offer 207 projects in its 14 open coastal cities, four special economic zones and Hainan Island for Hong Kong, Macao and foreign investors.

These projects will be open for discussion at an investment symposium to be held in Hong Kong from November 6 to 9. This was disclosed here today by Wei Yuming, vice-minister of foreign economic relations and trade and head of a 150-member Chinese delegation to the coming symposium.

Wei, who is on his way to Hong Kong for the symposium said that these projects included 48 in light industry, 34 in the electrical and electronics industries, 30 in the chemical industry, 29 in the machine-building industry, 27 in the textile industry, 16 in agriculture, animal husbandry and fisheries, 15 in the building materials industry, 5 in the metallurgical industry and 3 in tourism.

Most of these projects, he said, were for technological transformation and the others were new construction projects. China's seventh five-year plan would stress the transformation of existing factories by drawing foreign investment and advanced technologies and equipment, Wei said. He welcomed Hong Kong, Macao and foreign investors to China's hinterland to cooperate in enterprise management, or open joint-venture or sole-investment enterprises.

Wei said that the symposium would concentrate on encouraging direct foreign investment, not on concluding transactions in technology and equipment. With some 1,100 businesses participating, he said, the symposium would be unprecedented in scale. He predicted that it would be a success.

The meeting's sponsors include the China Banks Group, China Resources (Holdings) Co. Ltd., China Merchants Steam Navigation Company Ltd., Everbright Industrial Corporation, and Economic Information and Agency in Hong Kong.



PRC TO INSTITUTE NEW LAWS ON EDUCATION

OW011704 Beijing XINHUA in English 1630 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- China will formulate several major laws on education in the next three to five years.

This was disclosed by Zhang Chengxian, vice-chairman of the Education, Science, Culture and Public Health Committee of the National People's Congress, at a six-day discussion ending here today.

The Ministry of Education is drafting a law on universal and compulsory primary education and is expected to submit it to the National People's Congress for examination in 1985, Zhang added.

Some 40 specialists and scholars attending the discussion called for instituting a series of new laws on education as quickly as possible. It is a pressing matter of the moment to expand education and help the socialist modernization program, they noted.

Since the founding of the People's Republic, China has issued many regulations, decrees and rules for education which have contributed to the development of education. But the participants said that legislation for education is still inadequate. They complained that there is no legislated percentage for education funds in the state budget, that such funds are often appropriated for other purposes, that school buildings and playgrounds are often taken over by other organizations, and that there is no law guaranteeing the qualifications of school teachers and their treatment.

The scholars and experts suggested that the following laws be instituted immediately:

1. A basic law for education which stipulates the position, role, policy and objective of education, and the structures and systems of various types of schools;
2. A law of universal and compulsory primary education which stipulates its school system, funds, teacher qualifications, and administrative set-up;
3. A law on education funds which stipulates the percentage of such funds in the national budget, and sources, distribution and utilization of the funds;
4. A teachers law which stipulates the qualifications, training, examination, employment, treatment and award of teachers; and
5. A law for protecting schools.

In addition, they also suggested the formulation of laws for vocational education, higher education, teachers training and education for minority nationalities.

The participants further proposed that the formulation of the basic law for education be taken up as a national key project in the Seventh Five-Year Plan for education and scientific research.

Summing the discussions, Zhang Chengxian pointed out that, in line with the suggestions, his committee will work out a program on legislation and help the relevant State Council departments to establish a research center for this purpose.

XINHUA URGES EXPANSION OF ENTERPRISE POWERS

OWD11145 Beijing XINHUA Domestic Service in Chinese 1220 GMT 30 Oct 84

[XINHUA reporter Xu Yaozhong's letter: "Return All the Decisionmaking Powers to the Enterprises" -- date not given]

[Text] Beijing, 30 Oct (XINHUA) -- To enhance the enterprises' vitality and to accelerate urban economic development, the CPC Central Committee and the State Council have issued repeated injunctions on expanding the enterprises' powers. However, many enterprises have indicated to this reporter that, up to now, they have not obtained their due decisionmaking powers.

A responsible person of a large iron and steel company said: We rejoiced this May when the State Council promulgated provisional regulations governing expansion of decision-making powers for state-run industrial enterprises. Regrettably, such powers were "truncated" in various ways after a few months. For example, the regulations stipulated that the enterprise was permitted to sell its steel products in excess of production quotas at 20 percent above the fixed price. However, the local provincial and city governments insisted on buying some 30,000 tons of its steel products in excess of the production quotas according to the fixed price. Also, even if the enterprise has funds available for technological transformation, it cannot use them without obtaining approval from higher authority.

A responsible person of a factory producing brand-name bicycles said that his enterprise is rigidly controlled by its company high above. The enterprise has no power to market its products in excess of production quotas, to keep its surplus profits, nor issue bonuses, because they are all controlled by the company.

It is learned that such are not exceptional cases, where enterprises do not have decisionmaking powers. The major problems, as reflected by the various localities, are as follows:

1. Some upper departments do not delegate power. Some departments still control the powers of enterprises to market products, utilize funds for technological transformation, and recruit workers and staff members. Some even use such powers to seek personal gain, or further the interests of small groups.
2. Some social units make various demands on enterprises. Regarding the enterprises as a rich source of income, these units arbitrarily apportion expenses under various pretexts, and encroach on the enterprises' powers to retain a portion of their profits or to utilize funds.
3. Some irrational, specific regulations and institutions still fetter the hands and feet of the enterprises. Nominally, some decisionmaking powers have been delegated to the enterprises, however, such powers are often unattainable, because exercise of such powers requires approval from higher authority. The approval process often entails government red tape and loss of much time. Thus, the golden opportunity is often missed.

All this hinders the enterprises' normal production and operation, adversely affecting the urban economic development. The 3d Plenary Session of the 12th CPC Central Committee has decided to further expand the enterprises' decisionmaking powers to enhance their vitality, and regard the cities as the central link in the entire economic structural reform. The above practices, in hindering the exercise of decisionmaking powers by the enterprises, apparently violate the guideline of the plenary session. The various localities and departments must earnestly study, and implement, the guideline of the plenary session, and return the decisionmaking powers to the enterprises in their entirety in order to enliven them as soon as possible.

RENMIN RIBAO ON REFORMING URBAN COMMERCE

HK020751 Beijing RENMIN RIBAO in Chinese 29 Oct 84 p 5

[Article by Wan Dianwu: "In Reforming Urban Commerce, It Is Necessary To Grasp the Key Points"]

[Text] According to the spirit of the 3d Plenary Session of the 12th CPC Central Committee, an overall, systematic, and thorough reform should be carried out with regard to the urban commercial system. Since this reform is fairly complicated and involves the work in various fields, I believe that we should firmly grasp several key policies for reforms, and work in a down-to-earth manner and resolute way. Only thus can we achieve practical results and give impetus to the entire work. At present, it is necessary for us to grasp the following key points:

1. We should draw a clear distinction between the functions of the government and those of the enterprises. On the one hand, we should delegate power to commercial enterprises and recognize that enterprises are relatively independent dealers in commodities, and economic entities which can carry out self-transformation, develop themselves, and are full of vitality. They must have their own independent economic responsibility, economic competence, and economic interests. They are no longer appendages of the commercial and administrative departments. On the other hand, business administrative departments of various governments should exercise unified leadership over, and manage all commercial activities of the whole society. They should be mainly responsible for enacting laws and regulations, formulating guiding principles and policy, making overall arrangements, implementing unified policy, and carrying out administrative and management work such as supervision, investigation, and other such things. In the meantime, they should coordinate with the departments concerned to make use of economic levers such as price, tax, credits and so on to regulate and exercise control over markets.
2. We should gradually reform pricing and administrative systems. We should observe and correctly make use of the law of value to reform the existing irrational pricing system and the overconcentrated management system. This is a fundamental problem in reforming the commercial system. The irrational difference between retail price and the state purchasing price of some commodities, allowances, irrational price ratios between different commodities, and so on violate the law of value. All this should be gradually corrected so that various prices can largely reflect the law of value. Necessary power should be vested in commercial enterprises and commercial departments to decide the prices of commodities, so that we can change the situation where "those who do business do not care about prices, and those who decide prices do not do business."
3. We should take active and conscientious measures to establish trade centers and wholesale markets. The main way to reduce circulation links and enliven wholesale markets is to establish wholesale organs in economic districts with the support of big and medium-sized cities. In particular, we should set up open trade centers or wholesale markets for industrial products in large and medium-sized cities and hubs of communications so that industrial enterprises, enterprises run by towns and townships, and wholesalers as well as retailers can make use of these places to compare the quality and prices of their products and carry out open transactions. We should thoroughly change the closed and distributive methods of transactions within state-run commercial enterprises. In large and medium-sized cities and other traditional distribution centers, we should set up wholesale markets for agricultural and sideline products so that we can create conditions for direct transactions between transportation and sale units at or below country level and urban retailers.



4. We should readjust the ownership structure of commodity circulation. Commerce under ownership by the whole people, collective commerce, and individual commerce have their own strong points. They should give play to their own strong points, play their own role, and exert joint efforts in order to make contributions to speeding up commodity circulation, guiding production, and serving customers. The present problem is that it is not suitable for the state to run some small-scale retail shops, eating houses, and service trades. It is impossible for the state to run them well. The state should transfer them to the collectives or individuals by making use of the methods of transferring ownership, renting, and so on. This will play an important role in improving service and management, and enlivening markets.

5. We should truly implement the business responsibility system based on contracts. At present, the practice of "eating from the same big pot" is rife among workers and staff members in the commercial enterprises. There are also egalitarian trends with regard to the distribution to wages and bonuses. To change this situation, we should conscientiously follow the principle of distribution according to work, and achieve a combination of responsibility, authority, and benefit. The incomes of workers and staff members should be tied to their job responsibility and performance. Those who work hard should be rewarded, whereas those who are lazy should be punished. In so doing, we will arouse the enthusiasm, initiative, and creativity of the broad masses of workers and staff members.

#### REPORT ON HONGQI ARTICLE ON CPC RECTIFICATION

HK011305 Beijing ZHONGGUO XINWEN SHE in Chinese 0903 GMT 1 Nov 84

[Report: "HONGQI Says: First stage of Party Rectification of the CPC Has Been Proceeding Smoothly"]

[Text] Beijing, 1 Nov (ZHONGGUO XINWEN SHE) -- A commentator's article in the journal HONGQI, which came off the press today, states: The first stage of party rectification of the CPC, which started at the end of 1983 and in early 1984, has scored notable successes. Over the past 10 months and more it has been proceeding smoothly and in a healthy way.

The article says: In seeking unity of thinking, three problems have been made particularly clear. They are: 1) The most basic task in the stage of socialism is to develop the productive forces, and the focus of work of the whole party is concentrated on carrying out socialist modernization and making the country strong and prosperous and the people rich. 2) In order to accelerate socialist modernization, we must unswervingly implement the policy of invigorating the domestic economy and opening to the outside world, and must resolutely and steadily reform, under the leadership of the central authorities, the economic structure and state organs which do not accord with the development of the productive forces, 3) All departments, all trades and professions, and all fronts should have the idea of being subject to and serving the four modernizations, and should work out their plans and arrange their work around the objective of quadrupling the gross annual output value of industrial and agricultural production by the end of the century.

In rectifying the style of work and intensifying discipline, we have investigated and dealt with a number of cadres of grave bureaucratic way of doing things and seeking personal gain by abusing power and position, which caused heavy losses to the party and people. Those criminal offenders have been dealt with according to law. In the spirit of correcting defects while rectifying, we have solved and are solving problems that party member cadres have more house floor space than their share and illegally arrange for their children to work through the backdoor, which people have often complained about. The change in the style of leadership has not been seen in many years.

With regard to the purification of organizations, a penetrating effort has been made in uncovering an extremely small number of people who made a start following the Lin Biao and Jiang Qing counterrevolutionary groups in rebellion during the "Great Cultural Revolution," people seriously affected with factionalist thinking and elements resorting to beating, smashing and looting. Particular attention has been paid to preventing these "people of the three categories" from worming their way into leading groups. Meanwhile, efforts have been strengthened in investigating, selecting and training elite middle-aged and young cadres, stimulating the "third-echelon" buildup of the cadre ranks.

Before the start of the current party rectification effort by the CPC, a small number of people both inside and outside the party worried about party rectification being a repeat of those "leftist" mistakes of previous political campaigns and preventing the continuous implementation of the policy of enlivening the domestic economy and opening up to the world, and other fundamental policies. They worried about party rectification being carried to excess and being no solution to problems. In the article the HONGQI commentator states: Party rectification experience the past 10-odd months shows that this party rectification effort has successfully avoided the "leftist" mistakes of previous political campaigns. It has not generated a tense atmosphere of everyone feeling that his own life was at risk. On the contrary, it has enlivened inner-party democratic life, strengthened party democratic centralism, and has given full play to the enthusiasm, initiative, and innovative spirit of the masses of party members. It has not caused social disorder or interfered with stability and unity. On the contrary, it has helped develop a situation marked by a lively and active state and social political life. Many friends inside and outside the party and the masses have taken the initiative to put forth criticisms and suggestions to party committees and governments at all levels. It has not interfered with the implementation of the party's general and specific policies about enlivening the domestic economy and opening up to the world. On the contrary, it has greatly stimulated the opening up of the country to the world and reform of the economic system.

The article said that the current party rectification effort has made for an initial accumulation of experience in carrying out party reorganization and construction during the period of socialist modernization and has allowed the achievement by exploration of certain principles and methods for solving contradictions and problems within the party. Given the first-stage party rectification experience, those units involved in the second-stage party rectification next year and the year after can be expected to be definitely better handled than those involved in the first stage, so long as serious attention is paid to arrangements, conscientious attention is given to guidance, and strict demands are set.

#### PERSONAL CHECKS COMING BACK INTO USE IN SHANGHAI

HK300328 Beijing CHINA DAILY in English 30 Oct 84 p 2

[Text] Personal cheques are coming back to China after more than 30 years of absence.

The Beijing-based ECONOMIC DAILY reports that the Industrial and Commercial Bank of China is opening chequeing accounts for residents in the Xuhui District, Shanghai. Personal cheques are honoured in restaurants and shops, and can be used to pay taxis, rent, and other republic services in the district. The service is designed mainly to help senior scientists, educators, medical workers, and returned Overseas Chinese who have settled in the district.

The minimum bank balance for a chequeing account is 300 yuan. The paper says that so far 87 residents have opened accounts. Three hundred and fifty-seven cheques totalling more than 240,000 yuan have been written since the service began in July. One client alone wrote more than 10,000 yuan worth of cheques.

Departments throughout Shanghai that sell pianos, TV sets, and other expensive goods also honor the cheques.

A vice general manager of the Bank's Shanghai branch said that the branch plans to expand the service to all 12 districts in the city next year. He said he hopes the cheques will be honoured throughout the country in the near future.

The paper says the revival of personal cheques is a major breakthrough in the reform of China's banking and financial system. However, in a telephone interview with CHINA DAILY, an official of the People's Bank of China (Central Bank) had reservations on nationwide development of personal cheques. "Our country is big. It is technically difficult to spread the use of personal cheques widely. There will be no way to determine whether a cheque is valid or not. Besides, we are still in the stage of improving financial facilities for enterprises that buy and sell in large quantities. Personal cheques can wait," he said.

In the last five years, Shanghai has been at the forefront of banking and financial reform. It is one of the first cities to experiment with bonds and stocks. Its billing system is the most developed in the country.

#### MANAGEMENT TECHNIQUE OF PLANT DIRECTOR CITED

OW010748 Beijing XINHUA in English 0707 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- The Shanghai Hand-Knitted Sweater Plant, after making sales inroads into the United States, Britain and Japan, with its exquisite woolen weathers, is now aiming at Paris -- the international high-fashion market.

The director of the plant, with 10,000 workers, is a 27-year-old girl, Huo Jianping. She was recently named an outstanding young director, and invited to Beijing by the Chinese Communist Youth League Central Committee to pass her experience and opinions on to young people across the country.

In an interview with XINHUA, Huo wore a scarlet applique woolen sweater produced in her own factory. Both her speech and appearance were brimming with youthful vigor. She said she was appointed to the post last January when the plant was nearly bankrupt, with the monthly profit dropping to only 100 yuan. She made a detailed market survey, paid big bonuses to 12 designers who had turned out the most fashionable styles, and sent sales representatives to introduce the products to department stores. Especially, the plant's unmatched hand-knitted and leather-inlaid sweaters brought in orders from all over the country.

To stimulate the initiative of the workers, she adopted a new wage system, paying workers according to their work quotas and the quality of the products they turned out. This reform resulted in a 20-percent increase in productivity and a profit of over eight million yuan last year. This year the plant fulfilled 88.2 percent of the profit target set by the state plan in the first six months. At the plant's second exhibition last month, over 300 items was displayed, attracting numerous Chinese and foreign buyers.

Under her leadership, a capable worker can get double the previous monthly income. But when she first adopted the job responsibility and "floating wage" systems, she was not supported by part of the workers. Some workers were used to getting the same pay no matter how much or how little work they had done, and they believe their director was deliberately making things difficult for them. The young girl was even criticized as "worse than a capitalist", and "thoroughly negating the superiority of the socialist system".



However, Huo Jianping did not give up easily. Though she was only a middle school graduate when she first came to the plant in 1973, she has gained experience through years of work as a production group leader, a workshop head and deputy-director. She has also been taking courses in economic management through T.V. college. She set the revised work quota based on the accumulated statistics and the technical level of workers after two weeks of careful discussion.

To win the support of the workers, she gave them lectures on improving economic efficiency, acquainted them with why and how the reform should be done and taught them to have a sense of being masters of their own plant. On the other hand, she declared that slackers would be financially penalised.

The young director spends most of her time working and studying. Her mother still looks after her eldest daughter at home. Huo said that she likes to read biographies of great persons when she can find the time. "I draw strength and inspiration from their lives," she said.

The director recently announced a plan to train technical personnel and set up specialized workshops. She is also preparing to institute a hand-knitted sweater design center for gathering information and developing technology in the field. When asked about her marriage plan, she said that she had not had time to consider this, but she hoped that her future husband would be the firmest supporter of her career.

#### XINHUA FORUM ON BUILDING WORLDWIDE NEWS AGENCY

HK011146 Changsha Hunan Provincial Service in Mandarin 2300 GMT 31 Oct 84

[Text] In order to build a world wide news agency with Chinese characteristics, to run well 10 major journals, to expand the position of media circles, and to better serve the four modernizations, the XINHUA NEWS AGENCY yesterday afternoon in Changsha held a forum attended by responsible persons of the relevant provincial and Changsha City departments and journalistic units.

In the process of speeding up the building of a worldwide news agency, XINHUA NEWS AGENCY must further run well magazines of various types and content. At present the main task is to run well the following ten journals:

1. XINXI ZHUANXIAN, which was established according to Comrade Deng Xiaoping's inscription: "Exploit information resources to serve the four modernizations."
2. Various foreign-language newspapers and magazines to provide information to the country.
3. BANYUETAN, a comprehensive journal focusing on policies on current affairs.
4. LIAOWANG, the first weekly news magazine on politics and current affairs since the founding of the PRC.
5. SHEYING SHIJIE, with the introduction of the latest foreign photographic technology and production as its main content, supplemented by the introduction of domestic photographic experiences.
6. HUANQIU, a comprehensive international monthly magazine which introduces various affairs in foreign countries.

7. XINWEN YEWU, a magazine which serves the promotion of news reports, research on journalism, and the training of talented people in journalism.
8. CANKAO XIAOXI, a publication focusing on reports of new events and trends in various places and fields of the world.
9. JINGJI CANKAO, a publication focused on providing economic information.
10. SHIJIE TIYU CANKAO, focusing on the introduction of new trends and results in the world's sports circles, sports installations and arena, and the new achievements in research on physical culture.

Provincial CPC Committee Secretary Jiao Linyi delivered a speech at the forum. He stressed that all relevant departments and units must enhance the work of propagating and distributing the 10 major journals so as to promote the work in various fields in Hunan.

'PROPAGANDA OUTLINE' ISSUED ON AUTONOMY LAW

OW020613 Beijing XINHUA Domestic Service in Chinese 0854 GMT 1 Nov 84

[Text] Beijing, 1 Nov (XINHUA) -- The law on Regional Autonomy for Minority Nationalities has been examined and approved by the Second Session of the Sixth NPC and implemented since 1 October this year. The CPC Central Committee's Propaganda and United Front Work Departments jointly issued a "Propaganda Outline on the Law on Regional Autonomy for Minority Nationalities of the People's Republic of China" recently, and concomitantly issued a circular calling on the local propaganda and United Front Work Departments and other departments concerned to extensively publicize the outline among cadres and masses in light of local conditions.

The circular says: "The enactment and promulgation of the Law on Regional Autonomy for Minority Nationalities of the People's Republic of China is an important event in China's political life. The law will play an important role in safeguarding the healthy growth of the regional autonomy of minority nationalities, strengthening unity of the people of various nationalities, consolidate unification of the nation, and promote the socialist modernization and common prosperity of the various nationalities.

The "Propaganda Outline" gives a detailed elaboration on the following aspects: The importance of the Law on Regional Autonomy for Minority Nationalities, the tasks and guiding ideology of the law, the major principles of the establishment of autonomous organs, the autonomous rights of the autonomous organs, the guidance and assistance from state organs in higher levels to autonomous regions of minority nationalities, development of socialist nationality relations, and promotion of common prosperity of the various nationalities.

The "Propaganda Outline" points out: Because of old habits, and the existence of "leftist" ideas and other erroneous ideas to a certain extent, the various party and government organs must overcome the hindrances and eliminate interferences in publicizing and implementing the Law on Regional Autonomy for Minority Nationalities. They must make the law become a weapon firmly in the people's hands of protecting the successful implementation of the regional autonomy for minority nationalities.

CHINA DAILY REPORTS ON INQUIRY INTO TRAIN CRASH

HK020404 Beijing CHINA DAILY in English 2 Nov 84 p 1

[Text] A government inquiry has blamed a peasant tractor driver for Monday's crash with an international express train which left four people dead.

The Ministry of Railways inquiry has reported that the tractor driver, Zhao Ruixing, was trying to drive through an unmanned level crossing in Huailai County Hebei Province when the tractor suddenly stopped.

Four people -- three men and a woman on the tractor's trailer -- were killed instantly but Zhao and a boy aboard the tractor survived.

The inquiry revealed that the train was one hour and 40 minutes behind schedule because it had already been involved in an accident, running into a flock of sheep in Mongolia. Meanwhile, 105 foreign passengers who were unhurt in the crash have arrived in Beijing by special train.

A spokesman for the Beijing Railway Administrative Bureau told CHINA DAILY that a temporary 400-metre section of rail had been put down to reopen the line early yesterday after a 40-hour blockage. About 550 workers have been involved in an emergency repair job and eight derailed coaches have been put back on the rails. Damage is estimated at nearly 3 million yuan.

According to the ministry report, the accident happened near the Tumu railway station, about 110 kilometres northwest of Beijing. The No. 4 express train from Moscow to Beijing was unable to pull up in time to avoid crashing into the tractor and trailer. The spokesman said it was the first time an international express train had been involved in an accident with a motor vehicle in China. He said the ministry was planning to set up overpasses and automatic warning systems at 7,393 level crossings.

None of the train passengers were hurt. Among the passengers were three railway delegations from the Soviet Union, Vietnam and Mongolia as well as Chinese and foreign passengers, including a Swedish tourist group. Among the Chinese were Luo Yunguang, deputy chief dispatcher of the Ministry of Railways and some leading officials of the Ministry's Foreign Affairs Bureau.

#### CHEN MUHUA HEAD OF FLORISTS ASSOCIATION

OW011840 Beijing XINHUA in English 1831 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- A Chinese Florists Association was established at a ceremony here today.

State Councillor Chen Muhua, who is honorary president of the association, encouraged people to grow more flowers to beautify life and mould their temperament. Chen described floriculture, condemned as a bourgeois pastime during the Cultural Revolution, as significant for advancing socialism materially and culturally.

He Kang, minister of agriculture, animal husbandry and fisheries, is the president of the association. He said the association would undertake to coordinate research, cultivation, marketing and exporting of flowers.

Growing flowers has become an increasingly popular hobby among Chinese in the last few years. Beijing buys huge amounts of flower seedlings from southern China each year. During the National Day celebrations in early October, people in the capital displayed over a million pots of flowers to decorate the city for the occasion.

#### ACADEMY OF SCIENCES MARKS 35TH ANNIVERSARY

OW011639 Beijing XINHUA in English 1622 GMT 1 Nov 84

[Text] Beijing, November 1 (XINHUA) -- The Chinese Academy of Sciences has in its 35 years successfully completed 2,378 research projects, 600 of which won state awards.



The academy now has 119 research institutes staffed with more than 44,000 scientists as against 20 institutes with 300 scientists 35 years ago. These achievements were announced by Yan Dongsheng, one of the academy's vice-presidents, at a tea party here today, celebrating the 35th anniversary of the founding of the academy.

The party was attended by party and government leaders Fang Yi, Hu Qiaomu, Hu Qili, Yan Jici, Zhang Jinhfu and Song Ping.

Yan said that the academy is now undertaking to reform its system of scientific research and granting more decision-making authority to the institutes, so as to bring into full play the creativity and initiative of the scientists and accomplish more at a faster pace. The reform will enable the academy to better meet the urgent needs arising from the current economic structural reform in the country, he added.

Yan said that the academy is now concentrating its efforts on research projects vital to the national economy, the progress of science and technology and the new technological revolution. It encourages its institutes and scientists to give greater attention to applied research work and strengthen their cooperation with enterprises, departments of economic management and institutions of higher learning.

He went on to say that the academy will take measures to increase the interflow of scientific personnel in China and promote joint research with foreign institutions, founding of jointly run laboratories, co-production of advanced equipment, new reagents and new materials, and joint ventures in new technology.

The academy will change its former practice of fund allocation to the institutes. Science funds will be founded for the institutes of basic research and those doing basic work for applied research or pioneering work for new technology. Thus, funds will be allocated according to the value of the research projects to the national economy. A contract system will be applied to those institutes of applied research and technological development, a system that encourages the institutes to transfer their research results and provide technical advice and services to production units.

#### RENMIN RIBAO COMMEMORATES HISTORIAN WU HAN

HK290419 Beijing RENMIN RIBAO in Chinese 22 Oct 84 p 5

[Article by Zhang Xikong: "In Praise of Comrade Wu Han's Ethics as a Historian"]

[Excerpts] Comrade Wu Han was China's famous Marxist historian. He specialized in the history of the Ming Dynasty, and was a scholar of high attainments. He made systematic in-depth probes into the basic historical facts, system, and prominent figures of the Ming Dynasty as well as basic data and reference works concerning the history of the Ming Dynasty, and wrote many substantial treatises.

In the early 1960's there appeared an evil trend in history science circles of being "leftist" rather than rightist, which gained expression chiefly in the treatment of the system of feudal royal dynasties, in evaluating historical figures and in the treatment of issues concerning national and international relations. At that time some people distorted the class viewpoint and class analysis, holding that if the history of the people was to be written, the system of royal dynasties had to be done away with. They did not dare evaluate the roles of some emperors and kings, prime ministers and generals who should be regarded as positive, while negating the roles of those who should not be negated. In dealing with ancient national and international relations, they demanded that history be made subject to the principles and policies of today, so on and so forth.

Comrade Wu Han was resentful about this, and said: "This is a style of study counter to seeking truth from facts." "Without proceeding from study the specific conditions of history, but starting from some policies and principles of today instead, and compelling history to be subject to the actual conditions of today is a style of study counter to science and history." ("A Collection of Study Notes," pp 244-245) His correct stand was much censured under the circumstances of an overwhelming evil "leftist" trend. However, he persisted in the principle of historical materialism, loudly appealed to the public, and remained firm in his stand in many of his reports and articles, which gave expression to his scientific attitude and indomitable spirit in seeking truth.

In response to Comrade Mao Zedong's call at a meeting in 1959 to learn from Hai Rui's spirit of being upright and outspoken, Wu Han wrote, at the request of Mr Ma Lianliang, famous artist of the performing arts of the Beijing Opera, the play on the historical theme of "Hai Rui Dismissed From Office" for the Beijing Opera in the indomitable spirit of daring to think, daring to speak, and daring to act, which was completed only after seven revisions. The broad audiences warmly acclaimed the creation and performance of the play, praising it as a fresh flower among new historical plays. But it was never expected that his play would become one of the charges in the indictment against him. On 10 November 1965, the reactionary literary prostitute Yao Wenyuan published his article "On the New Historical Play 'Hai Rui Dismissed From Office'" in which he regarded it as a poisonous weed which gave expression to the class struggles emerging in the society (referring to the tendency to return to individual farming and the trend to reverse verdicts). At the beginning, Wu Han still believed there had to be contending of different views on academic question, and he was compelled to write the article "Self-Criticism on 'Hai Rui Dismissed From Office'" based on his faith in the party organization, and made a truthful analysis of his play. In the article, he persisted in the conclusion of his study, and explicitly reaffirmed the role of Hai Rui in history with a historical materialist view. At the same time he refuted Yao Wenyuan's irresponsible remarks which were ignorant and incompetent, by citing a large amount of historical facts, which demonstrated the scientific attitude and the spirit of seeking truth from facts of a revolutionary historian. Later, with the development of the situation, the "gang of four" simply tore apart their masks of "academic discussion" and viciously slandered his motive in writing "Hai Rui Dismissed From Office" as "working hand in glove with the rightist opportunists against the party and socialism" in an attempt to completely negate Wu Han. Nevertheless, even under such an extremely ominous situation, Comrade Wu Han did not give in, and he told his daughter Xiao Yan: "Yao Wenyuan's article has shown not the least concern over historical facts. So long as I am alive, I will settle the account with Yao Wenyuan!" What proud and powerful words! Yao Wenyuan was a literary prostitute who won fame by relying on phrase-mongering and attacking others, he knew practically nothing about history, he had no respect for history to speak of! Comrade Wu Han's words displayed some of his bookishness; however, they represented the protest of thousands of intellectuals who are men of integrity against the reactionary forces! They demonstrated the noble sentiment and moral character of a genuine materialist historian.

In addition, I also hold that the "ethics" of a historian should also be expressed in how he deals with the relations between the work he is engaged in and the people. Comrade Wu Han was one of the very few specialists on the history of the Ming Dynasty. He laid a solid foundation in his youth for the study of the history of the Ming Dynasty: with his attainments and ability, he could have written many volumes of academic works of high standard.

12.1 However, he spared no effort in enthusiastically striving for and appealing to the public in popularizing historical knowledge among the people. Why should he have persisted in this? Or, in other words, what motive governed his action? It was a strong desire to never forget for a moment to raise the scientific and cultural level of the Chinese nation, or we can say he had an "intention" to serve the people. He said: "Improvement without popularization will only be the improvement of a minority of people, while the majority of people remain poor and blank, which does not conform to the requirements of our party and state." He hoped "to make every person understand some of the history of his own country and of other countries, have a grasp of the law of social development, understand his own future, and cherish the motherland, the party, and people all the more through the study of history, so that he may confidently be able to plunge himself into the torrents of socialist construction." He regarded popularizing historical knowledge as one of the important tasks in carrying out the education in patriotism and communism. For this he expended all his energies and exerted painstaking labor. He loudly appealed to the public: "For our cadres, workers, peasants, and soldiers, as well as our own children, we have the right to propose this demand, and require scholars and specialists of all fields to write some popular readers and articles, and to popularize knowledge among the people." Two of the most influential book series of unprecedented scope which he edited with vision were: "Series of Booklets on Chinese History," and "Series of Booklets on the Histories of Foreign Countries." In the 7 years between 1959 and 1965, nearly 150 items of "Series of Booklets Chinese History" were published, along with more than 50 items of the "Series of Booklets on the Histories of Foreign Countries", which won the warm welcome and praises of readers in all fields. The leading comrades of the Central Committee showed concern for and attached importance to the work. Comrade Wu Han's work on popularizing historical knowledge demonstrated not only his foresight and sagacity, but also his outstanding "ethics" as a historian. Regarding its nature and significance, they are worthy of our attention and should be promoted in a big way.

10 This year marks the 75th anniversary of the birth and the 15th anniversary of the death of Comrade Wu Han. I recall the past with grave feelings and am writing this article to express my remembrance and admiration of this excellent historian of our times who was strong in his talent, knowledge, understanding and virtue.



HUANG HUANG AT ANHUI MILITARY PARTY CONGRESS

OW010550 Hefei Anhui Provincial Service in Mandarin 1100 GMT 31 Oct 84

[Text] The Seventh Anhui Provincial Military District CPC Congress was held from 28 to 30 October in Hefei. The 303 delegates from various units of the Military District conscientiously studied the resolution of the 3d Plenary Session of the 12th CPC Central Committee, unanimously passed the work reports of the Sixth Anhui Provincial Military District CPC Committee and its Discipline Inspection Committee.

Huang Huang, secretary of the Anhui Provincial CPC Committee and first secretary of the provincial Military District CPC Committee, presided over the opening ceremony on 28 October. Jiu Dehe, commander of the Anhui Provincial Military District and deputy secretary of the Anhui Provincial CPC Committee, made an opening speech.

Zhang Mingyuan, political commissar of the Military District and secretary of the Anhui Provincial CPC Committee, gave a report on behalf of the Sixth Anhui Provincial Military District CPC Committee. His report was entitled "Add to Our Achievements, March Forward in Big Strides, and Make Further Efforts To Create a New Situation in Building the Units Under the Provincial Military District and the Militia."

Comrade Zhang Mingyuan summed up the major tasks and basic experience of the provincial Military District CCP Committee since the Sixth Provincial Military District CCP Congress. He set forth the major tasks to fully implement the guidelines of the 12th CPC National Congress and the 3d Plenary Session of the 12th CPC Central Committee and create a new situation in building the Military District and militia units. He also listed the following major tasks: carry out party rectification with high standards; bring party-building to a new level; conscientiously implement the policy of active defense; bring the preparedness against war to a new level; do a very good job in militia-building and in mobilization work and bring the reserve force building to a new level.

After full discussion, the delegates unanimously approved the resolution on the party committee's work report and the Discipline Inspection Committee's work report. By secret ballot the congress elected the Seventh Anhui Provincial Military District CPC Committee and its Discipline Inspection Committee.

During the congress, Wang Guangyu, member of the CPC Central Committee and deputy secretary of the Anhui Provincial CPC Committee, conveyed the guidelines of the 3d Plenary Session of the 12th CPC Central Committee. The delegates made a concentrated study of the documents of this third session.

On the afternoon of 30 October, Li Pingzhang, deputy commander of the Anhui Provincial Military District and member of the Standing Committee of the Anhui Provincial CPC Committee, made the closing speech before the congress successfully concluded to the strains of the majestic national anthem.

JIANGSU PEOPLE'S CONGRESS STANDING COMMITTEE CLOSES

OW011431 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 31 Oct 84

[Text] The ninth session of the Standing Committee of the sixth provincial People's Congress that lasted 8 days ended in Nanjing this morning.

During the session, members of the Standing Committee studied the documents of the 3d Plenary Session of the 12th CPC Central Committee.

They heard explanations by Vice Chairman Hong Peilin on draft regulations on safeguarding the legitimate rights of women and children in Jiangsu Province, explanations by Vice Chairman He Binghao on draft measures of the Standing Committee of the Jiangsu Provincial People's Congress on strengthening ties with deputies to the provincial People's Congress, and explanations by Fang Zhen, vice chairman of the Standing Committee of the Nanjing City People's Congress, on draft regulations on the control of environmental noise pollution and of smoke and dust emitted by furnaces and kilns in Nanjing City. The meeting examined these draft regulations in group discussions, made revisions, and gave its approval accordingly. The meeting also examined reports made by the provincial departments concerned, as instructed by the provincial government, on structural reforms of the supply and marketing cooperatives, on carrying out the economic contract law, and on the preparatory work in implementing the law on the prevention and control of water pollution.

In examining the report on carrying out the economic contract law, the committee members noted: During the 2-odd years of carrying out the economic contract law, the province has actively implemented economic contract system and guided and managed economic work by the combined application of the legal and economic measures. As economic structural reforms are being carried out, the economic contract law will become increasingly important. Therefore, it is imperative to step up propaganda and education in the concept of legal system in order to facilitate the implementation of the economic contract law. The session also approved some personnel appointments.

Chairman He Binghao presided over and addressed today's plenary session. Attending the session were Chairman Chu Jiang and Vice Chairmen Liu Shuxun, Zhong Cuocho, and Wang Bingshi. Responsible persons of the departments concerned of the provincial People's Government, the provincial Higher People's Court, the provincial People's Procuratorate, and the standing committees of the people's congresses of 11 cities were present at the meeting as observers.

#### JIANGXI, FUZHOU CITE ADVANCED UNITS WORK

OW010618 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 31 Oct 84

[Excerpts] Fuzhou Military Region and Jiangxi Province recently made a joint decision to commend and bestow honors on advanced units in making joint army-men-civilian efforts to promote spiritual civilization. Commended were 28 advanced units including PLA 32381 Unit and the Parks Administration station of the Shangrao (?concentration camp). Eight of them were designated civilized units.

The decision also commended the People's Armed Force Departments of (Huibu) Township of Gaoan County, (Dazhu) Township of Guangchang County, (Songdang) Township of Lianhua County and (Huangbei) Township of Dexin County for energetically mobilizing militiamen to take part in making joint army-men-civilian efforts to promote spiritual civilization.

#### BAI DONGCAI ATTENDS JIANGXI SPORTS MEET

OW300133 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 28 Oct 84

[Excerpts] The first Jiangxi provincial senior citizens' sports meet has opened in Nanchang. A grand opening ceremony was held at the provincial gymnasium on the evening of 27 October. Bai Dongcai, Zhao Zhijian, Wan Shaofen, Zhang Yuging, Zhang Cuozen, Liu Bin, Xu Shaolin, Lu Liang, Jin Liqiang, (Liu Desui), and other provincial party, government, and military leaders as well as responsible comrades of the provincial Veteran Cadres Bureau, the Jiangxi branch of the All-China Sports Federation, and the provincial Senior Citizens' Sports Association attended the opening ceremony.

Bai Dongcai, first secretary of the provincial CPC Committee; Fu Yutian, head of the Preparatory Group for the provincial Advisory Commission; Fang Qian, adviser to the provincial government; and (Guo Shenlin) and (Hu Shilong), veterans of the Red Army, will also take part in competition. A theatrical and athletic performance was staged at the opening ceremony.

#### JINAN PLA UNIT IMPLEMENT INTELLECTUALS POLICY

SK010513 Jinan Shandong Provincial Service in Mandarin 2300 GMT 31 Oct 84

[Excerpts] The party committee and leading organ of the Air Force of the Jinan Military Region regard the work of respecting knowledge and talented persons as a key link in conducting reform, and take effective measures to promote the implementation of the policy toward intellectuals.

During the past 2 years, the party committee of the Air Force of the Jinan Military Region had paid attention to the implementation of the policy toward intellectuals and scored remarkable achievements. Since the beginning of September, they have emphatically attended to five tasks in terms of the existing problems:

1. They have organized cadres and fighters to study the expositions of the central leading comrades on respecting knowledge and talented persons.
2. They have worked out a plan for cultivating and using college students.
3. They have corrected the tendency of preventing the intellectuals from joining the party by using, as excuses, seniority and demanding perfection.
4. They have made efforts to create good study and work conditions for the intellectuals.
5. They have paid attention to the health and living conditions of the intellectuals.

#### SHANDONG'S SU YIRAN MEETS MOVIE PRODUCTION UNIT

SK310551 Jinan Shandong Provincial Service in Mandarin 2300 GMT 30 Oct 84

[Excerpt] A 13-member production unit of the film "A Garland Under the High Mountain" arrived in Jinan on the morning of 30 October to attend a premiere in our province.

On the evening of 30 October at the club of the Jinan Nanjiao Guesthouse, the production unit was met by Su Yiran, secretary of the provincial CPC Committee; Lu Maozeng, Li Changan and Jiang Chunyun, deputy secretaries of the provincial CPC Committee; Zheng Weimin and Xu Shulin, Standing Committee members of the provincial CPC Committee; Gao Keting, chairman of the provincial Advisory Committee; Qin Hezhen, chairman of the Standing Committee of the provincial People's Congress; Lu Hong and Ma Changgui, vice governors; Li Zichao, chairman of the provincial CPPCC Committee; Zhang Zhi, deputy political commissar of the Jinan Military Region; Xu Chungyang, director of the political department of the Jinan Military Region and Lin Ping, deputy director of the political department of the Jinan Military Region. They all watched the newly produced film "A Garland Under the High Mountain."



GUANGDONG MEETS ON STRENGTHENING ENTERPRISES

HK011212 Guangzhou NANFANG RIBAO in Chinese 28 Oct 84 p 1

[Report by reporter Huang Jingtang "Province Holds Forum on Strengthening Enterprise Leading Bodies, Calling for Simultaneous Reexamination and Readjustment of Leading Bodies in Large, Medium-Sized, and Small State Enterprises"]

[Text] From 23 to 27 October, the provincial CPC Committee Economic Work Department and Organization Department jointly held a forum on strengthening enterprise leading bodies. The forum discussed the problem of how to further speed up the pace of making the enterprise leading bodies younger, more revolutionary, better educated, and more professional, and further improve the quality of these leading bodies so that the enterprises can stand in the forefront of reform of the economic structure and can play a greater role in promoting the economic development of our province.

Wang Ning, secretary of the provincial CPC Committee, attended and spoke at the forum. Also present at the forum were responsible cadres of the economic work departments, organization departments, and economic committees of the CPC committees of various cities and prefectures, and secretaries of the CPC committees of some enterprises.

Since 1982, in accordance with the arrangements of the CPC Central Committee, our province has carried out an overall and constructive consolidation of state enterprises by stages and in groups. While fully affirming the achievements in the previous stage, the comrades participating in the forum also pointed out some shortcomings in that period. In these enterprises there widely existed problems such as low cultural levels, higher ages, and irrational professional structure in the leading bodies. A large number of outstanding intellectuals, especially those aged about 40, have not been promoted to important posts. Therefore, it is entirely necessary to continue to improve the status of the leading bodies of enterprises in line with the five requirements set by the central authorities -- having good political quality, being bold in carrying out reform, having a higher cultural level, being younger and capable, and being capable of building spiritual and material civilizations simultaneously -- and to make a reexamination and readjustment of these leading bodies. This is a pressing task for the organization front at present.

The forum also made arrangements for the work in the future, putting stress on the readjustment of the leading bodies of large and medium-sized enterprises, especially large and medium-sized key enterprises. The leading bodies of the 90 large and medium-sized key national enterprises in our province must be readjusted in strict accordance with the requirements of the central authorities in terms of cultural structure and the ladder-shaped age structure. The directors and party committee secretaries of these enterprises should be university or college graduates, and two-thirds of the deputy directors and deputy secretaries should also be university or college graduates or have the equivalent of schooling. This principle is also applicable to the 183 large and medium-sized enterprises which are not on the list of key enterprises. If they really feel this is difficult to do, at least the secretary or director of the enterprise should be a university or college graduate, and no less than 50 percent of other deputy leaders should also have the same record of schooling. Small enterprises must also do their best to select and promote suitable cadres to the leading posts in light of their concrete realities. More than half the members of the leading bodies should be senior middle school or technical secondary school graduates or above. As for those who have educated themselves through self-study, how can we judge whether they have reached the university or college level?

The forum put forth the following standards for reference: 1) Whether one has passed the higher education examination for self-study cadres; 2) whether one has made an invention or important achievements in practical work, which are recognized by one's trade and approved by the higher authorities; and 3) whether one has gained technical or professional titles through strict examination. All those who have passed the unified examination for factory directors and managers can be regarded as university or college graduates in a certain specialized subject. In age structure, the leading bodies should mainly be composed of cadres at about 40. There can also be some at around 50 or more than 30, but the average age should be controlled under 45. After the forum all departments, bureaus, companies, and units at the provincial, city, prefectural, and county levels must work out plans for the readjustment of the leading bodies of their enterprises within their limits of authority in cadre management and divide up the work and responsibility among various levels. They must start at the same time to carry out the reexamination and readjustment and set a time limit for the fulfillment of this task. For the whole province, the readjustment of the leading bodies in 51 large and medium key enterprises, and in 110 other enterprises, in which the director's responsibility system has been adopted, should be completed by the end of this year. In the first half of next year the readjustment in all large and medium-sized enterprises should be completed, and by the end of next year the readjustment in all state enterprises in this province should be completed.

#### GUANGDONG MEETS ON AGRICULTURE, ANIMAL HUSBANDRY

HK011152 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 1 Nov 84

[Text] The 17-day provincial meeting of city and prefectural bureau directors and section chiefs in charge of agriculture and animal husbandry, which closed yesterday, demanded that the cadres and staff members of all agricultural and animal husbandry departments at all levels throughout the province conscientiously study the "Decision of the CPC Central Committee on Reform of the Economic Structure" and properly carry out structural reform in the agricultural and animal husbandry departments so as to keep up with the developing commodity production in rural areas.

Through visiting typical advanced units in promoting agricultural and animal husbandry commodity production in the mountainous areas, on plains, and in the special economic zones, the comrades participating in the meeting have had their minds emancipated and have become more confident of and more determined in promoting the commodity economy. The meeting holds that the agricultural and animal husbandry departments at all levels must conscientiously study and implement the "Decision of the CPC Central Committee on Reform of the Economic Structure" and take action to separate government from enterprise functions, to streamline administration, to delegate power to the lower levels, to reduce redundant administrative organs, to minimize the size of their staffs, and to establish various specialized agricultural and animal husbandry companies and economic entities. At the same time, the administrative bodies of the agricultural and animal husbandry companies and economic entities. At the same time, the administrative bodies of the agricultural and animal husbandry departments at all levels must completely shift their focus toward providing service to grassroots units and enterprises and to agricultural and animal husbandry commodity production.

#### HUBEI URGES SPEEDING UP INDUSTRIAL PRODUCTION

HK010949 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 30 Oct 84

[Text] The provincial Economic Committee recently issued a circular, demanding that all places and departments concerned really do well in grasping industrial production within this year.

The circular demands: It is necessary to make rational arrangements for speeding up production within this year.

It is essential to go full steam ahead as far as possible to produce products whose supply cannot meet the demand of the market. Regarding products whose supply just meets demand, we must strictly persist in fixing output in accordance with the amount of sales and must work out our plans for production on the basis of not increasing the amount of stock. We must by no means further increase the amount of goods kept long in stock. Moreover, we must vigorously promote sales and must strive to open up new sales channels so as to promote production. We must reduce the rate of production of products which have exceeded a reasonable amount of stock. We must resolutely take administrative measures to regulate power supplies, fuel, and raw materials to limit or suspend the production of products which are long unmarketable, which are kept long in stock, and whose sales are unlikely to basically improve within the year. We must do well in grasping the production of the necessities of daily life and of small commodities. Regarding products which are less profitable or unprofitable under the influence of the factors of current prices and taxes, industrial and commercial departments must make mutual concessions in terms of profits and industrial departments must persist in production on schedule to ensure normal supplies in the market.

#### AIR FORCE DEPUTY COMMANDER ATTENDS WUHAN MEETING

HK011458 Wuhan HUBEI RIBAO in Chinese 20 Oct 84 p 1

[Report by correspondent Li Wangping and reporter Liang Xia: "PLA Air Force Deputy Commander Wang Dinglie Attends Wuhan Meeting To Award Honorary Title to a Company"]

[Text] The Military Commission and the Air Force awarded the honorary title of "the 8th Company which strictly leads the troops, which commands the troops in a civilized manner, and which has rendered exceptionally meritorious service" to the 8th Company of a certain airborne division at a ceremonious meeting held on 19 October by the Air Force of the Wuhan Military District.

In the war years the 8th Company was a heroic collective. In the world-famous battle of Shangganling, it demonstrated the prowess of the nation and the Army. In peacetime it has been a model company. It has rendered meritorious service 13 times as a collective. Since the 3d Plenary Session of the 11th CPC Central Committee, the cadres and fighters of the 8th Company have acted in unison with the CPC Central Committee in ideological and political matters and created the experience of "strictly leading the troops, commanding the troops in a civilized manner, building a strong party branch, letting the cadres take the lead, and letting the officers and men supervise one another" in comprehensively building the company. It is a banner of the new period in which we build the basic units of the Air Force.

An 0800, amid the majestic PLA March, the meeting began. Led by Commander Wang Yongchen and Instructor Xue Youguo, the commanders and fighters of the 8th Company, with rosettes on their chests, marched into the assembly hall in a column. The 1,500 cadres and fighters attending the meeting warmly applauded to show their respect for the company.

Wang Dinglie, deputy commander of the Air Force, made a special trip to Wuhan from Beijing. He read aloud an order jointly signed by Commander Zhang Tingfa and Commissar Gao Houliang of the Air Force and presented a silk banner, on which the words "the 8th Company which strictly leads the troops, which commands the troops in a civilized manner, and which has rendered meritorious service" are written, to the 8th Company. He called on all units of the Air Force, particularly the companies, to learn from the 8th Company and to build the Air Force into a combat group which "obeys the orders of the party and which is good at fighting." Kang Xinghuo, commissar of the Air Force stationed in Wuhan, read aloud the decision on launching an in-depth drive to learn from the 8th Company. Commander Wu Jiyuan of the Air Force stationed in Wuhan delivered a speech. Zhu Yongqing, commissar of the division to which the 8th Company is subordinate, spoke on the deeds of the 8th Company.



The representative of the fighters of the 8th Company promised to hold themselves responsible to history and the honor of the company, to hold themselves responsible to the victories in future anti-aggression wars, to make a further success of the building of the 8th Company, and to make the banner of the 8th Company redder.

Also present at the meeting were other party, government, and army leading comrades, such as Hou Runtao, Wang Hanzhang, Zhou Huanzhong, Cui Wenbo, Ren Qiu, Li Lianghui, Li Bangsui, and Wang Jie, and old models of the 8th Company, such as Cui Hanbi, Li Baocun, and Chai Yunzhen.

#### HUBEI RALLY COMMENDS PUBLIC SECURITY CADRES

HK011132 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 31 Oct 84

[Text] This morning the provincial People's Government held a rally in the Wuhan Theater to commend the provincial Public Security Department, the provincial Armed Police General Detachment, the Wuhan City Public Security Bureau, and all public security cadres and policemen that successfully fulfilled the task of maintaining social order during National Day.

In carrying out activities to mark the 35th anniversary of the founding of the PRC, the provincial Public Security Department, the provincial Armed Police General Detachment, the Wuhan City Public Security Bureau, and all public security cadres and policemen that took part in the work of maintaining social order in the Wuhan area around National Day, by relying on the masses, worked hard day and night to successfully fulfill the public security tasks such as conducting reconnaissance activities, maintaining social order, guard work, and telecommunications. Their deeds were highly appreciated by people from all circles and foreign friends and were warmly praised by broad masses.

At today's commendation meeting, provincial and Wuhan City leading comrades, including Li Jun, Lin Shaonan, Liang Shufen, (Peng Shenyuan), Wu Guanzheng, and (Gao Qing), respectively awarded silk banners to the provincial Public Security Department, the provincial Armed Police General Detachment, and the Wuhan City Public Security Bureau.

#### HUNAN FORUM ON FOREIGN ECONOMIC COOPERATION ENDS

HK011507 Changsha Hunan Provincial Service in Mandarin 1100 GMT 31 Oct 84

[Text] The 1st provincial forum on economic and technological cooperation with foreign countries, which lasted 19 days, ended in Changsha today.

At the forum, the province signed contracts on 151 projects with businessmen from foreign countries and Hong Kong and Macao. The total investment of foreign exchange amounted to some \$100.29 million. Among the projects, foreign funds of \$43.9 million were directly used, accounting for 50.9 percent of the total investment of foreign exchange. All the imported projects are of relatively high technological level and most of them can be put into operation and benefited within 2 years, thus producing relatively good economic and social affects.

In addition to the projects on which contracts have been signed, agreement have been reached on 117 projects and intentions have been expressed on 143 projects. Negotiations are being held on some other projects.

This forum, sponsored by the provincial People's Government, was a well prepared large forum. About 1,5000 people were selected from all prefectures, cities, departments, and bureaus to form 36 delegations and 300-odd groups to negotiate with businessmen from foreign countries and Hong Kong and Macao. During the period of the forum, a total of 600-odd people from economic and technological circles, business circles, and financial circles of 17 foreign countries and Hong Kong and Macao were received. Among them 220 people were foreign businessmen.

Under the specific guidance of the provincial CPC Committee and provincial government, all delegations paid attention to importing technology and the economic and social effects of the imported projects. As viewed from the 151 projects on which contracts have been signed, the expected purpose has been achieved. Some projects, such as the paper caddy production line and the equipment for production of jute carpets, have filled our country's gaps in these fields.

During the period of the forum, the 3d Plenary Session of the 12th CPC Central Committee was victoriously held, which greatly inspired all participants. Leaders at all levels and working personnel of the forum have greatly raised efficiency by carrying out work with the spirit of reform, further emancipating their minds, improving their work style, and adopting a coordinated working method in such fields as proving feasibility, securing funds, and gaining approval of projects to handle those projects which have good economic effect.

Leading comrades from the State Economic Commission, the Ministry of Foreign Trade and Economic Relations, the Ministry of Communications, the Bank of China, and the International Trust and Investment Company and professional cadres of other relevant departments of the country attended the forum and gave specific guidance.

Responsible persons of some units in Hong Kong, such as the Bank of China, Hong Kong and Shanghai Banking Corporation, and WEN WEI PO and lawyers from Hong Kong gave professional guidance to the forum, thereby greatly supporting and benefiting the meeting.

#### HUNAN APPOINTS VICE GOVERNOR, COMMERCE OFFICIAL

HK291126 Changsha Hunan Provincial Service in Mandarin 2300 GMT 28 Oct 84

[Text] On 27 October, the 9th Session of the 6th Hunan Provincial People's Congress Standing Committee adopted a decision to appoint (Chen Banzhu) as vice governor of the Hunan Provincial People's Government, and (Tao Wenbin) as director of the provincial Commerce Department.

Comrade (Chen Banzhu), male, aged 50, is a native of Jiujiang City, Jiangxi Province, and a college graduate. He first took part in revolutionary work in August 1951, and joined the CPC in October 1975. He has been a technician at the Jilin Chemical Industry Building Company, deputy director of work area under Jiuhua Building Company, vice manager of building department, chief engineer, manager of a company promoting the four modernizations, deputy secretary of Yueyang City CPC Committee, mayor of Yueyang City, and the person in charge of the provincial Foreign Economic Relations and Trade Department.

SICHUAN PEOPLE'S CONGRESS MEETING HEARS REPORTS

HK020149 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 1 Nov 84

[Excerpts] The ninth meeting of the Sixth Provincial People's Congress Standing Committee held a full session on 1 November to listen to reports by (Chen Kewen), deputy director of the provincial Public Health Department, on the draft of the provincial food hygiene regulations; by (Ye Jixiang), deputy director of the provincial Labor and Personnel Department, on the situation in implementing the two provincial labor safety laws; and by (Guo Yuan), director of the provincial Physical Cultural Commission, on the situation in sports and physical culture.

Chairman Du Xinyuan attended the session. Vice Chairman Meng Dongbo presided. Also president were vice chairman Qin Chuanhou, Zhang Xiushu, Liu Ziyi, Ma Shitu, Ji Chunguang, Liu Yunbo, Liu Haiquan, and Zhaxi Zeren. Vice Governor Gu Jinchí attended as an observer. Gao Zhenzhong, president of the provincial People's Procuratorate, and others were also present.

SICHUAN RECORDS SUSTAINED ECONOMIC GROWTH

HK020147 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 1 Nov 84

[Text] Under the impetus of party rectification, reforms, and opening up to the world, Sichuan's economic front has advanced in big strides this year and all-round sustained growth has been recorded in industrial and agricultural production, circulation, and construction. The situation has improved every quarter. On the basis of the relatively good achievements of the first half of the year, still better success was scored in the third quarter.

The good economic situation in the province has the following characteristics: 1) Industrial production has consistently developed at a relatively high speed, and economic results have shown great improvement. 2) In agriculture, output of spring-sown crops, industrial crops, and diversified undertakings all rose, and the province has reaped a bumper harvest for the eighth successive year. 3) The urban and rural markets have become more prosperous and lively, with ample commodity supplies and brisk business. 4) The scale of investment in capital construction has been controlled to an appropriate degree, and the investment structure has become more rational. 5) Financial revenue has increased notably as a result of developments in production and circulation and improvements in economic results. Revenue up to September showed an increase of 13.59 percent compared with the same period last year.

YUNNAN ISSUES CIRCULAR ON RURAL ENTERPRISES

HK291208 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 26 Oct 84

[Text] The provincial People's Government has issued an urgent circular, reiterating that no one is allowed to encroach upon the interests of rural enterprises by transferring and taking over their resources and profits at will.

The circular says: Since the beginning of the second half of this year, production of rural enterprises throughout the province has developed more rapidly and their total income has markedly increased. However, according to reports by some relevant departments, some localities have arbitrarily changed the ownership of some rural enterprises or encroached upon their interests by means of economic integration. On the pretext of strengthening specialized management, they have changed the subordinate relationship of the rural enterprises or changed their financial management system. Some local authorities have even imposed levies on rural enterprises under all sorts of pretexts, or have indiscriminately transferred the financial and material resources of the rural enterprises. All this seriously violates the relevant regulations and policies laid down by the state and dampens the enthusiasm of rural people for developing their enterprises.



In order to rapidly correct the above-mentioned erroneous practices, the circular says, the provincial People's Government reiterates:

1. All localities must resolutely carry out the relevant regulations and policies laid down by the party central leadership, the State Council, and the provincial People's Government in the course of the rural and urban economic reforms.
2. It is necessary to firmly implement the provincial government's stipulations that no unit or individual is allowed to transfer, distribute, occupy, misappropriate, or use in an illicit way any part of funds, property, and labor force owned by collective enterprises, and that no one is allowed to change the ownership and subordinate relationship of these enterprises without authorization. The property of collective enterprises which was transferred or taken over after the promulgation of relevant central documents must be returned to the enterprises. The reversion must be in effect before the end of this year if the cases occurred after the provincial government issued the relevant documents. Henceforth, if similar cases occur, enterprises have the right to bring suit against the responsible local authorities, who will be subject to legal punishment according to the seriousness of the cases.
3. All departments must actively support the development of rural enterprises. They are not allowed to change the ownership of these enterprises without authorization under the pretext of strengthening specialized management. No changes should be made in the subordination relationship and the financial management system of these enterprises.
4. The economic cooperation between rural enterprises and other businesses should be encouraged, but this must be based on the principle of voluntary participation and equality and mutual benefit. No one is allowed to encroach upon the interests of rural enterprises under the pretext of economic cooperation.
5. Rural enterprises should pay taxes to the state and deliver part of their profits to local governments according to relevant regulations and contracts. No unit or individual is allowed to impose any extra levies on the enterprises beyond the scope of the contracts.

In conclusion, the urgent circular requires that all localities make an overall examination during the last 3 months of this year regarding to the implementation of the policies related to rural enterprises and promptly solve existing problems in this regard.

#### AN PINGSHENG SPEAKS AT YUNNAN RALLY ON CPC PLENUM

HK011142 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 31 Oct 84

[Text] This morning at a rally of party members and cadres held by the provincial CPC Committee, An Pingsheng, member of the CPC Central Committee and first secretary of the Yunnan Provincial CPC Committee, conveyed the spirit of the 3d Plenary Session of the 12th CPC Central Committee.

He demanded that all party members and cadres throughout the province must seriously study the documents of the 3d Plenary Session of the 12th CPC Central Committee, must arm themselves with the theory and policies on reform, and must work hard to speed up our province's structural reform as a whole with the urban areas as the key points.

Comrade An Pingsheng introduced the situation in the convocation of the 3d Plenary Session of the 12th CPC Central Committee, conveyed the spirit of the plenary session, and in light of the realities of our province, made arrangements for study and implementation of the spirit of the plenary session.

He emphatically pointed out: The decision of the CPC Central Committee on reform of the economic structure adopted at this plenary session is an important policy decision on speeding up structural reform as a whole with urban areas as the key points. The decision integrates the basic tenets of Marxism-Leninism with the actual conditions in our country and forms a blueprint to build socialism with Chinese characteristics. The decision breaks with many traditional concepts, breaks through many conventions, puts forward some new viewpoints, and represents the Chinese edition of political economy.

While dealing with how our province should study and implement the spirit of the 3d Plenary Session of the 12th CPC Central Committee, Comrade An Pingsheng demanded: Party organizations at all levels must seriously organize party members and cadres to study the documents of the third plenary session of the CPC Central Committee, must concentrate energy, and must completely understand the spirit of the documents so as to make the theory and policies on reform strike root in the hearts of the people. In connection with actual conditions in our province, we must completely understand the spirit of the documents so as to make the theory and policies on reform strike root in the hearts of the people. In connection with actual conditions in our province, we must conduct investigation and study, must analyze the new situation, must sum up new experiences, must put forward new methods, and must solve new problems to promote the healthy development of reform of the economic structure in our province.

Members of the CPC Central Committee in Kunming and responsible comrades of the provincial CPC Committee also attended today's rally.

HEBEI CPC ISSUES CIRCULAR ON PLENUM DECISION

HK020605 Shijiazhuang HEBEI RIBAO in Chinese 22 Oct 84 p 1

[Report: "Hebei Provincial CPC Committee Issues Circular on Studying Documents of 3d Plenary Session of 12th CPC Central Committee"]

[Text] The Hebei Provincial CPC Committee issued a circular on 20 October, requiring party organizations at all levels and cadres who are party members throughout the province to actively respond to the call of the 3d Plenary Session of the 12th CPC Central Committee, and to study its documents in earnest. The full text of the circular is as follows:

The "Decision of the CPC Central Committee on Reform of the Economic Structure" adopted at the 3d Plenary Session of the 12th CPC Central Committee has discussed the necessity and urgency of stepping up the pace in the reform of the urban and the whole economic structure proceeding from integrating the principle of the basic tenets of Marxism with actual conditions of China, and has stipulated the orientation, nature, and tasks of reform and various basic principles and policies. It is a programmatic document guiding the reform of economic structure of our country, and is of very important, practical guiding significance to the work of the whole party.

The provincial CPC Committee requires the party organizations at all levels, and cadres who are party members throughout the province to actively respond to the call of the 3d Plenary Session of the 12th CPC Central Committee, to study the "Decision of the CPC Central Committee on Reform of the Economic Structure," to profoundly and correctly understand its spiritual essence, to deepen the understanding of building socialism with Chinese characteristics, and on this basis, to closely link with the actual conditions of one's locality, department, or unit in summing up experiences, so as to make the reform of the economic structure in our province develop better in breadth and depth.

The provincial CPC Committee requires party organizations at all levels in various places of the province to regard organizing the party members and masses to study the documents of the 3d Plenary Session of the 12th CPC Central Committee as a major matter at present, which should be grasped firmly and well in a down-to-earth manner. The provincial CPC Committee has planned to gather all members of the party groups of units directly under the provincial authorities to study the documents in early November, and all prefectures and cities should gather cadres at and above the county CPC Committee Standing Committee level to study the documents during the same period. The period for concentrated study should not be less than 10 days. CPC committees at all levels should go to grassroots units to make investigation and study linked with the study of documents; they should go deep among the masses, go down to enterprises, and study and discuss the documents with the masses. They should guide the party members and the masses to deepen the scientific understanding of the documents, concentrating on all kinds of problems raised in the course of the study, so that they may conscientiously plunge themselves into the great practice of reform. Pedantic textual criticism, explanation, and annotation must be avoided.

The provincial CPC Committee has called on the party members and masses of the whole province to further enhance their vigor under the guidance of the spirit of the 3d Plenary Session of the 12th CPC Central Committee, to work efficiently in a down-to-earth manner, to work hard in stepping up the pace in the reform of the urban and the whole economic structure, and to seize the all-round victory of reform in welcoming the victorious convening of the CPC conference.



SHENYANG PLA HEARS REPORTS ON VIETNAM BATTLES

SK010445 Shenyang LIAONING RIBAO in Chinese 14 Oct 84 p 1

[Excerpts] On the afternoon of 13 October, more than 1,800 people from the organs and units under the Shenyang Military Region stationed in Shenyang City ceremoniously held a meeting to greet the report group of combat heroes and models of the self-defense battles against Vietnam at Laoshan and Zheyangshan areas and to listen to the first report given by them. Meetings were also held at 46 other sites with the participation of more than 22,000 cadres and fighters.

Attending the meeting were leading comrades of the Shenyang Military Region, including Gao Ke, Zhang Wu, and Cheng Zemin. Hua Shan, deputy commissar of the Shenyang Military Region, presided over the meeting.

Li Zhengyu, Li Jinqiang, and Qin Guofu, members of the report group, introduced at the meeting a large number of heroes and valiant deeds of the PLA units that had joined the battles. Their reports vividly reflected the lofty spirit and sentiment displayed in devoting themselves to the motherland by the commanders and fighters of the PLA units that had joined the battles, and received repeated warm applause.

Cheng Zemin, deputy political commissar of the Shenyang Military Region, delivered a speech at the meeting, in which he stated: The PLA units stationed at border areas in Yunnan Province have made tremendous contributions to the motherland and the people in safeguarding the integrity of the motherland's territory and her border areas and launching a struggle against the aggression of Vietnam. They have also set up an example for us to study. We should extensively carry out the activities of learning from the combat heroes and models who have joined the battles at Laoshan and Zheyangshan areas and should turn their experience into our common spiritual wealth in order to do a good job in conducting reforms in various fields among the PLA units and to create a new situation in the building of PLA units.

The report group of combat heroes and models from the self-defense battles against Vietnam at Laoshan and Zhenyangshan areas came to Shenyang City after joining the celebration of the 35th anniversary of the founding of the PRC in Beijing Municipality.

LIAONING CONGRESS APPROVES PERSONNEL CHANGES

SK010117 Shenyang LIAONING RIBAO in Chinese 17 Oct 84 p 1

[Text] The following resolutions regarding personnel changes were adopted at the 10th session of the Standing Committee of the 6th Liaoning Provincial People's Congress:

Li Risheng [2621 2480 058] was appointed as director of the Second Provincial Light Industrial Department.

Sha Zhengxu [3097 2973 4872] was dismissed from his post of director of the Second Provincial Light Industrial Department.

XINJIANG SECRETARY URGES DECENTRALIZING MANAGEMENT

HK311230 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 30 Oct 84

[Excerpts] Tomur Dawamat, secretary of the regional CPC Committee, this afternoon delivered a report to a regional meeting for responsible cadres at department and bureau levels and for some cadres at the county department level. In his report on decentralizing cadre management work to the lower levels, seriously doing well in cadre management work, and accelerating the pace of transforming the leading groups, Tomur Dawamat said: In the wake of economic structural reform as well as the rapid development of reform in other areas, the present cadre management system does not conform to the new situation. Only when we reform the cadre management system and decentralize the work to the lower levels can we better serve the policy of invigorating the internal economy and opening to the outside world, as well as the general task and general goal of the party. Therefore, the regional CPC Committee has decided on principle to only supervise leading cadres at the level directly under it, secretaries of county and city CPC committees, mayors and county magistrates. Thus, the regional CPC Committee will decentralize two-thirds of the cadres who were under the supervision of the committee to various prefectures, autonomous prefectures, cities, and units and the department and bureau levels in the region. The CPC committees at various localities must also act in this spirit and correspondingly decentralize to the lower levels the power of personnel management.

He said: After the power of supervision has been decentralized, cadres who were formerly under the regional CPC Committee will inevitably enjoy remunerations at a lower level. On finding a solution to this problem, we must not act in connection with the limits of supervision of the regional CPC Committee over cadres, but must act in accordance with the relevant regulations on solving problems in the cadres' remunerations.

On further strengthening the building of the region's leading groups at various levels, Tomur Dawamat said: We must act in accordance with the requirement of improving the educational background of the leading group structure. We must gradually rationalize the professional structure of leading groups at various levels. In the next 2 years the number of cadres who have received a university education should be increased to 50 percent or above in the region's leading groups at department and bureau levels. And this number should be increased to two-thirds or above in department and bureau units in charge of the economy, science and technology, as well as chief and deputy leaders. On principle, the party and government leading cadres in universities, colleges, and scientific research institutes should be university and college graduates. The chief party and government leaders in economic entities should also be university or college graduates. Among the chief party and government leaders at prefectural, autonomous prefectural, city and county levels, there should be at least a university graduate. On principle, cadres who are newly promoted into the leading groups should receive education at or above the university level, and should possess relevant professional knowledge.

Comrade Tomur Dawamat stressed: All units and CPC committees must gain a deeper understanding of the significance of building the third echelon. We must conscientiously overcome erroneous thinking and confused ideas. We must include this task on the agendas of CPC committees.

Finally, Tomur Dawamat said: In order to conform to the requirements of the new situation and of the economic structure reform, we must put an end to the situation in which the Organization Department is not familiar with the work of departments in charge of economy, science and technology. We must teach the Organization Department to really attach great importance to the work of supervising cadres in the economic, scientific, and technological fields while doing well in the work of supervising party and government cadres. We may select from enterprises and scientific research institutes some outstanding cadres who know economic work well, possess a higher education level, and are good at organization work and arrange for them to work for the organization departments.

GARRISON BANS RECENT ISSUES OF NONPARTY MAGAZINES

OW011203 Taipei TZU LI WAN PAO in Chinese 28 Oct 84 p 2

[Text] A few days ago, the Taiwan Garrison Command banned the distribution of the latest issues of five nonparty magazines because of their "improper contents." These five magazines are CHIPNCHIN CHOUKAN [WEEKLY MARCH-ON 0467 6651 0719 0436], PENG LAI TAO [PENG LAI ISLAND 4659 5490 1497], FACHAN CHOUKAN [DEVELOPMENT WEEKLY 4099 1455 0719 0436], HSIN CHAOLIU [NEW TREND 2450 3390 3177] and HSINHUO CHOUKAN [TORCH WEEKLY 5647 3499 0719 0436].

In its official document on the ban, the Garrison Command pointed out that these magazines carried contents which distorted facts, fomented discord between the government and the people, misled the public seriously in carrying out propaganda for the bandits, and ran counter to anticommunist state policy. They violated the stipulations of Sections 3, 5, 6, and 7 of Article III of the Regulations on Publications Control in the Taiwan Region During the Martial Law Period. In accordance with stipulations of Article VIII of the regulations, these publications are banned.

COMMUNIST CHINESE TRADE OFFICIAL DEFECTS

OW310405 Taipei CNA in English 0231 GMT 31 Oct 84

[Text] Taipei, Oct. 30 (CNA) -- The economy and society on the China mainland will not progress unless the system of the Chinese Communists is totally changed, Ms Wang Yu-lu, a former Chinese Communist trade official said Tuesday.

Ms Wang, 39, a native of Nanking, was a section chief in a handicraft trading company in Canton and thus had the opportunity to see the outside world.

She went to the United States with a Communist Chinese trade mission in August. During her stay there, she decided not to return to the Chinese mainland. After they concluded the visit and left the States Aug. 31 on way to the mainland via Hong Kong, Wang, with an excuse, slipped away from her team members and hid somewhere in Hong Kong. With the assistance of the Free China Relief Association, she came to Taipei recently.

Having graduated from the Nanking College of Arts, Ms Wang was persecuted during the "Cultural Revolution" and underwent "reform through labor" working at a glass factory. "After that, I could not tolerate the tyrannical rule of the Chinese Communists," Ms Wang lamented at the press conference held at Free China Relief Association.

After she was rehabilitated, Ms Wang was transferred to the "arts and crafts department of the Kwangtung branch of China National Arts and Crafts Import and Export Corp." In 1981, thus having the chance to see the nations in the free world. Due to much business travel, she had a general understanding of the progress achieved by the Republic of China over the past 30 years. That inspired her determination to escape to the ROC.

"All the reforms carried out by the Chinese Communists are slogans," she stated. "The China mainland is hopeless unless the system of the Chinese Communists is totally changed," she stressed.

All of the Chinese Communists' guarantees on the future of Hong Kong are empty words, Ms Wang pointed out, saying that it is a united front trick the Peiping rulers are trying to bring off.



CHINA POST VIEWS GROWING TAIWAN-U.S. TIES

OW31050 Taipei CHINA POST in English 28 Oct 84 p 2

[Editorial: "Growing ROC-US. Ties"]

[Text] Dr Fredrick F. Chien, representative to the United States for the Coordination Council for North American Affairs recently commented on the current state of relations between the Republic of China and the United States. Speaking at the symposium commemorating the bicentennial of the opening of trade relations between the two nations, Dr Chien noted that the commercial and economic ties and cultural interflow between the ROC and the U.S. have continued uninterrupted and unabated, all to the benefit of both nations.

One of the concrete indications of the steady progress in ROC-U.S. trade totalled 15.9 billion, 700 times the value recorded in the year 1950.

Dr Chien, however, expressed deep concern about the growing trade surplus, which is expected to hit the US\$10 billion mark this year in the ROC's favor. And, yet, he said he was proud to state that the ROC has sincerely, voluntarily and diligently made efforts to close the gap.

Since 1978, the ROC has dispatched nine "buy American" missions to the United States to purchase U.S. goods in a bid to balance the two-way trade. Now the ROC Government hopes to improve the situation even more by purchasing high-tech products and sophisticated military goods from the U.S.

Evidence of such efforts was the signing of an agreement with the American Institute in Taiwan by Dr Chien under which more than US\$2 billion of uranium enrichment services will be purchased by the ROC to support the nuclear power program of Taiwan Power Company.

The current trade gap between the ROC and the U.S. will keep narrowing as the ROC's economy undergoes a major transformation and U.S. exports pick up momentum.

Trade is not the only area where ROC-U.S. relations have been strong. Despite the lack of formal relations, the U.S., on the basis of the Taiwan Relations Act, has continued to supply the ROC with defensive arms. This year U.S. arms sales to the ROC will exceed US\$70 million. Behind that, both the Republican and Democratic parties have in their campaign platforms expressed their concern about the security of the ROC. This has implications for the further development of ROC-U.S. relations.

The ROC and the U.S., indeed, have a great deal to gain by helping each other. For one thing, both peoples have a deep love of freedom and a high sense of justice. Dr Sun Yat-Sen, founder of the ROC, devoted himself to the building of the ROC, devoted himself to the building of a China with government of the people, by the people, and for the people, an ideal which U.S. President Abraham Lincoln has stood for.

At a time when the Soviet Union is posing a mounting threat to stability of the world in general and to the security of the Asian-Pacific region in particular, the island of Taiwan is increasingly important as a strategic link in the line of defense in Western Pacific. A militarily strong ROC, therefore, can contribute significantly to the security of the United States.

Because of the great benefits the close and strong relationship has for both nations, it will certainly grow further in strength in the years to come no matter who wins the upcoming U.S. Presidential election.

NPC PLANS TO DISCUSS HONG KONG'S FUTURE DISCLOSED

HK020304 Hong Kong SOUTH CHINA MORNING POST in English 2 Nov 84 pp 1, 28

[By C. K. Lau]

[Text] The Standing Committee of China's National People's Congress will discuss the draft agreement on Hong Kong's future early this month, the director of the local branch of the NEW CHINA NEWS AGENCY, Mr Xu Jiataun, said yesterday. Mr Xu also disclosed that the setting up of a local advisory committee on drafting basic law could be a matter for discussion between the Chinese and British Governments. He was speaking to reporters at a reception to mark the inauguration of Hong Kong Shen Nan Trading Co Ltd, a Shenzhen-Nanjing joint venture.

He said the draft agreement would probably be discussed before November 10, but he would not go to Peking for the occasion.

Mr Xu said the official signing of the Sino-British joint declaration would definitely take place next month. The agreement is likely to be signed by the British and Chinese Foreign Ministers, but a final decision has not been made. Whoever signs the agreement for each country would have to be men of equal status, he said.

Mr Xu did not give a direct answer when asked if a plan to set up a local advisory committee on drafting the basic law had been scrapped. But he did say there were difficulties in establishing such a body as was the case in setting up and type of organization, big or small. "No matter how large or how small an organisation is, there must be a limit (as to its size)," he said. If such an advisory committee was to be established, too many people might want to be on it and there could be problems with rival claims for representation from various sectors, he said.

Mr Xu added later that the organisation of the advisory committee could be a matter for discussion between the Chinese and British Governments, but he did not elaborate. However, he assured Hong Kong people that the Chinese Government would respect their opinions in drafting the basic law, no matter what the mode of participation.

Hong Kong people did not take part in negotiating the drafting the Sino-British joint declaration, but their opinions have been incorporated into the agreement, he said. Opinions on the basic law would be considered provided they were reasonable, beneficial to Hong Kong and not detrimental to Chinese sovereignty, he said.

Mr Xu's disclosures were in line with recent reports that Chinese officials were having second thoughts about setting up an advisory committee. Sources have said there were fears that such a body, which earlier reports said might have about 100 people on it, divided into sub-groups to cover various areas, would be too loose and inefficient in collecting opinions. The inclusion of certain people on the committee and the exclusion of others was also seen to present a problem in deciding on its composition. Moreover, those selected might be regarded as having been granted "semi-official" status, putting them on the ladder to power.

LATEST PRC DEFECTORS USING HONG KONG EXIT

HK020440 Hong Kong SOUTH CHINA MORNING POST in English 2 Nov 84 p 2

[Editorial: "Middle Man in the Defection 'Trade'"]

[Text] Another Chinese official has defected to the nationalists on Taiwan, bringing to three the number of known deserters in one month.

While defections across the Taiwan Strait over the years are fairly common, the latest incidents are noteworthy in view of Peking's intensified united front work on Taiwan and Taipei's own reaction to the offensive.

Peking authorities are particularly alarmed because the latest three defectors are believed to have entered Taiwan from Hong Kong. Until recently, such defections have either been direct flights from the mainland to the island as in the case of PLA pilots or through a third country such as Japan or the United States.

When China decided to open up to the rest of the world five years ago and began to dispatch students and officials to study or work abroad, the authorities accepted that there would be defections, people who wanted to stay on in the country to which they had been sent. This was the case with Li Na, the tennis player who drew world attention by seeking asylum in the United States.

And it was not unexpected when several people decided life in Taiwan was preferable to going back to the mainland. But the Peking authorities apparently did not anticipate the Hong Kong would be used as a "middle man" and that Taiwan would be able to "ferry" them out of Hong Kong under the vigilant eyes of both the local authorities and leftwing organisations.

This adequately demonstrates the efficiency of Taiwan's network in this territory. And there is no doubt there will be more defections as increasing numbers of Chinese officials are sent to work here. It is impossible to prevent them from making contact with Taiwan people here, some of whom are only too ready to offer to arrange passages to the island for those "in need."

How Peking will react to the rather blatant clandestine Taiwan activities here remains to be seen. And some counter-measures cannot be ruled out.

What is certain is that the battle between the two sides will continue to be fought here and will intensify as Peking steps up its united front work on Taiwan in the years to come.

#### LIAOWANG ARTICLE ON HU'S VISIT TO NEI MONGGOL

HK011110 Hong Kong WEN WEI PO in Chinese 29 Oct 84 p 3

[Article by Zeng Jianhui: "An Account of a Trip to the Nei Monggol Border Area" -- subheads supplied by the editor]

[Text] Beijing, 28 Oct (XINHUA) -- Issue No 44 of the weekly LIAOWANG, to be published on 29 October, carries an article by Zeng Jianhui, who accompanied Comrade Hu Yaobang on his visit. It is entitled: "An Account of a Trip to the Nei Monggol Border Area." The full text of the article is as follows:

The rhythmical sway of the overnight train put people to sleep, but it also woke people up early in the morning. Outside the train window the sky was turning bright. A moment later the red sun rose slowly, its rays shining on the boundless and quiet grasslands through the dim morning mist. The lush green farmland, the luxuriant forest belts, the hills, and the myriad of villages that frequently came into view soon after the train left Beijing on the afternoon of the day before yesterday disappeared. A train attendant told us that our train was traveling on the northern plateau of Nei Monggol.

Carrying CPC Central Committee General Secretary Hu Yaobang and his party, the train went due north along the Jining-Eren railway toward Erenhot, a city on the Sino-Mongolian border.



Peals of laughter rang through the dining car. While having breakfast with us, the general secretary talked about the purpose of this trip: To make an inspection tour of the cities, towns, and grasslands in the Eren border area and along the Jining-Eren railway; to conduct investigations and studies on the front line; to come into direct contact with local cadres at various levels and the masses, to listen to their views and to discuss the relevant principles and policies with them; and to solve some problems on the spot. This is the style and method of work which the CPC Central Committee and the State Council have consistently adhered to since the 3d Plenary Session of the 11th CPC Central Committee. Since the beginning of this year Comrade Hu Yaobang has left Beijing on six occasions to conduct investigations in Guizhou and Sichuan in southwestern China, Guangxi in southern China, Hunan in central China, Hebei in northern China, and Heilongjiang in northeastern China. Now, enduring the hardships of a long journey once again, he had come to the distant northern frontier. On this inspection tour he discussed various issues with the cadres of various nationalities in the Xilin Gol League, Ulanqab League, Erenhot City, Sonid Right Banner, Qahar Right-Wing Rear Banner, and Jining City, such as the construction of the border areas and the areas along the Jining-Eren railway, the open-door policy, the economic development of the pastoral areas, and oil prospecting in the Eren Basin.

The sun was just rising in the east when the train arrived at the Saiwusu station near Erenhot. Hug Yaobang, Qin Jiwei, alternate member of the Political Bureau of the CPC Central Committee, and others alighted from the train. Traveling in two tourist cars, they drove through a remote and uninhabited grassland, passed through Erenhot City, and arrived at the Eren guard post, which is situated at the Sino-Mongolian border and is surrounded by walls.

#### At The Eren Border Guard Post

There is ususally a nip in the air in the Nei Monggol plateau in mid-September, but it was warm and fine that day. Ascending the watchtower of the guard post, I looked off into the distance. A vast expanse of bleak and desolate grassland presented itself before my eyes. Over the pale yellow decorated archway in front and to the right of the guard post, the seven bright red characters meaning "PRC" came into view. A soldier told me that it is our national gate. Passing through the gate, the China-Mongolia railway stretches into the Mongolian People's Republic. There is a similar archway nearby. It is the national gate of the Mongolian People's Republic. The area between the two gates, which are about 1 km apart, is generally known as a "no-man's land." About 500 meters away there is a granite boundary marker on either side of the railway. There is also a building with high towers to the left and near the Mongolian national gate. Pointing to the building, the soldier said that it is a Mongolian border post. There is a small Mongolian border town behind it called Dzamin Uud, which has a population of more than 1,000 people.

That was the scene at the Sino-Mongolian border, where everything seemed to be so quiet. Naturally, we should never forget that a large number of Soviet troops equipped with modern and sophisticated weapons are still deployed behind the quiet Sino-Mongolian border. This is actually a fairly serious issue. Although the Chinese and Soviet Governments have held talks for a number of years, this issue is still unresolved.

Surrounded by the soldiers, Comrade Hu Yaobang visited their guard post. It was originally a wild, uncultivated wasteland. In recent years, through hard work, the frontier guards have turned the guard post into a place where green trees provide shade and fresh flowers bloom.

While walking, Comrade Hu Yaobang asked the soldiers about their lives. A company commander said that they grow various vegetables in the courtyard, which provides them with plenty of vegetables in summer and barely enough in winter. They raise an average of 20 sheep and 1 and 1/2 cows per person, in addition to pigs and chickens.

In the lobby of the guard station, a leader of the border defense unit briefed Comrade Hu Yaobang, saying that, generally speaking, peace had reigned throughout the years in the area around the Sino-Mongolian border. There had been no disputes between the Chinese and Mongolian sides. Consultations had been able to resolve many things. In recent years, both sides had met and talked four times, with all the talks proceeding in a friendly and cooperative atmosphere. In March and May of last year, dozens of camels and a dozen horses belonging to the Mongolian side crossed the frontier and entered our territory on two occasions. After rounding them up with great effort, our frontier guards returned them all to the Mongolian side. For this the Mongolians repeatedly expressed their thanks.

Hu Yaobang said happily: This is very good. Promoting friendship is our supreme goal. We sincerely hope that China and Mongolia will always live together in peace and that the peoples of the two countries will remain friendly to each other for all generations to come. The two countries should strive to develop mutual trade. Border trade should also be developed. Border area cultural exchanges between the two sides must be strengthened. This will promote the prosperity of the border areas on both sides.

At the request of the soldiers, Comrade Hu Yaobang took a writing brush and wrote four big characters meaning "the Great Wall in the northern country," and had a group photo taken to mark the occasion.

#### The Border Area Should Carry Out the Open-Door Policy

Three kilometers from the national border lies the small city of Erenhot. With a population of only 7,000, it can still boast of being one of the "major cities" along the Sino-Mongolian border. It is also a very important entrepot in China's northern border leading to the Mongolian People's Republic and the Soviet Union.

Accompanied by Zhou Hui, secretary of the Nei Monggol Autonomous Region CPC Committee, and other local leaders, Comrade Hu Yaobang and his party toured the city by car. Most of the buildings in Erenhot are one or two story houses. Uniquely and originally designed, the houses are painted pale yellow and have green lawns planted with red and white flowers in front. The trees on both sides of the street swayed gently in the wind and a myriad of flowers bloomed luxuriantly in the garden in the center of a traffic circle. Here one can see neither rising clouds of dust nor curling smoke and mist. There are neither bustling crowds nor the noise and excitement characteristic of ordinary cities. Fresh and tidy, it is an aesthetic treat. A small and exquisite city, Erenhot can boast of being a beautiful flower in the wilderness.

Comrade Hu Yaobang said that commerce in Erenhot, as an important entrepot opening up to the outside, is not active enough. He said that the border area must practice an open-door policy and must open up to promote trade. To make an economically underdeveloped area rich, we must do a good job of opening up to the world. This is major policy advocated by Comrade Deng Xiaoping. New developments have been attained in the work of Nei Monggol in the past few years. Generally speaking, however, Nei Monggol's economy is still backward. Only by opening to the outside world will it be possible for Nei Monggol to get rich. The economy will never develop in places cut off from the outside world. Prosperity will be brought to the border area if the volume of foreign trade conducted through Erenhot increases.

Hu Yaobang told Zhou Hui that the area along the 330-kilometer railway from Jining to Eren must be properly built up. Urban construction in Eren must especially be handled well in order to meet the needs of the open-door policy. Shenzhen in the south must be matched by Eren in the north. Thus Eren as a "window" carries great importance. Eren must energetically develop the service industry, make further efforts to beautify the environment, must plant more trees, and must also build some first-class hotels and restaurants. Efforts should be made to constantly improve the living standards of the people. There should be planning for all these tasks, specifying what should be done this year and what should be done next year. We should pay attention to the progress of our work every year. In short, the border area should adopt a policy of prosperity and development. He expressed the hope that the local people of various nationalities will further strengthen their unity and strive to build Eren into a clean, beautiful, and prosperous entrepot in our northern border as quickly as possible. He also pointed out that not only is it necessary for Eren to do its work well, but villages along the entire border should also adopt a policy of prosperity and development. The Army should also vigorously help the local authorities to bring about an upswing in the economic work in the border area.

Later, when exchanging views with the comrades from various leagues, banners, and cities in Nei Monggol, Comrade Hu Yaobang repeatedly stressed the importance of doing a good job of opening to the outside world. He said that by opening to the outside world we mean opening to foreign countries as well as to other provinces, cities, prefectures, counties, and production brigades. It is necessary to hold country trade fairs regularly. It can be held once every 5 days. Everyone is allowed to engage in business so that the country trade fairs are more brisk. There are two methods of opening to the outside world: One is to go out and another is to invite people in. These should be carried out in a planned way. Leading cadres at the regional, league, and banner (county) levels, in particular, must go out to examine and to broaden their fields of vision. However, they should not go sightseeing or go out without a purpose. In going out we can adopt three methods: 1) study other people's experiences in certain fields; 2) consult or seek advice from others on specific projects; and 3) send people to other places to receive training. Do not just go to Shenzhen, Zhuhai, and Shanghai. You can also go to Miyun, Changping, Pinggu, Huairou, and other counties in Beijing, to Tianjin, or to Haicheng in Liaoning. You are welcome to visit them.

Comrade Hu Yaobang said that inviting people in is a more important aspect of opening to the outside world. He said that the autonomous region, leagues, banners (counties), townships, and specialized households may import funds, technology, equipment, and competent personnel. They can employ some able engineers and technicians from Shanghai, Nanjing, Tianjin, and other localities and sign long or short-term contracts with them. You can engage in small projects such as leather and milk product processing. This is also an intellectual investment to which you should attach widespread importance.

#### [Text] Develop the Milk Processing Industry

Our cars drove quickly through the pastoral area in Sonid Right Banner for a whole afternoon. In front of our eyes was boundless green grassland, and time and again we saw yurts appearing on the horizon. Under the blue sky, we saw pure white sheep moving about like white clouds. This could not help but make me recall the wonderful phrase in the poem entitled "Chilean People's Song" which reads: "Vast is the sky, boundless the wilds, the grass bows with wind; the cattle and sheep appear there."



As it neared evening, the motorcade drove into Saihan Tala League, the seat of the Sonid Right Banner Government. In the yard of the hostel, the responsible comrades of the Sonid Right Banner CPC Committee and government showed Comrade Hu Yaobang into a spacious yurt and we all sat down on a carpet. The responsible persons of Sonid Right Banner were all comrades of Monggol nationality. The secretary of the banner CPC Committee briefed us on the development of the work there. This is a banner with 60,000 peasants and herdsmen and over 730,000 cattle and sheep. As far back as 1981, this banner began to implement the responsibility systems; as a result, the production there has developed relatively quickly. Now its growth rate ranks the 5th among the 12 banners of the league. Comrade Yaobang expressed satisfaction with the banner for its achievements and praised it for its efforts in satisfactorily maintaining nationality unity. The secretary of the banner CPC Committee said that the Monggol people could not do without Han people and Han people could not do without the Monggol people. The people of all nationalities cannot do without one another. He proposed a toast to this.

When Comrade Yaobang was discussing the development of the economy in the pastoral areas with local comrades, he said: In order to develop production in our pastoral areas, it is not enough to rely only on breeding cattle and sheep. We should develop the milk processing industry and thus turn milk into commodities, some of which will be sold in the production areas, but most of which will be sold in cities such as Beijing, Tianjin, Baotou, and Zhangjiakou. In order to develop milk cow breeding, we should have cows of fine breeds which take time to develop. Therefore, we can import some from abroad.

He said: We should encourage the development of big households specialized in cow breeding and the establishment of villages specialized in cow breeding. By so doing we will be able to concentrate our technology and facilitate transportation. Even the bones of cows can be used to make fertilizer. In short, this will facilitate comprehensive utilization. If a village has 500 cows, we can set up a small milk plant there which needs little initial investment and has high economic results. We should do our best to apply advanced technology in producing and packaging milk products, and we can also import some technology from abroad. He pointed out: All these are new problems that must be solved with new methods.

He said: It is not feasible to set up large state-run processing plants in the pastoral areas because of the great difficulties in transportation. Of course, a banner (county) can set up a relatively large processing plant to produce high-quality milk products. However, we should focus on developing the small family run milk processing industry and introduce small processing machines from abroad. Like the practice in France where grape wine is made by families and like many areas in south China where bean curd and rice wine are produced by families, the family milk processing industry can be developed here. He said that the league and banner CPC committees should both pay attention to studying and solving this problem.

Exploiting Petroleum Resources in the Eren Basin as Soon as Possible.

On the grassland in Saihan Tala there is a steel derrick. The noise from the machines there can be heard a long distance away. The No 26 drilling team was drilling hard in order to find the underground wealth -- petroleum.

The area of the Eren Basin is 100,000 square kilometers. Some 150 million years ago, this basin was an area of many lakes. In the course of millions of years, a stratum has formed that has the conditions to contain petroleum. Since the beginning of the prospecting in 1979, it has been proved that there is a vast stretch of stratum that contains a considerable deposit of petroleum and which can be developed into a new oil-field. Comrade Yaobang suggested that we go to the derrick to visit the workers who were working hard at the drill.

That afternoon, Comrade Yaobang went to the site where drilling team was working. He climbed up to the platform of the drilling derrick to observe the work of the drilling rig and had a get-together with the technicians and cadres of the drilling team. Comrade Yaobang said: We should recover the pretroleum of the Eren Basin as soon as possible and establish a petroleum refinery here. This is a major issue that is vital to the economic prosperity in the area along the Eren-Jining railway and also in the areas of the Xilin Gol and Ulanqab Leagues. Will it not be better to recover pretroleum from underground than let it lie idle there? It is better to make quick use of what we have! He said to Comrade Zhou Hui: You should do this in cooperation with the Ministry of Petroleum. Once you have the "gold doll" of petroleum in your arms, the features of this area will change.

Comrade Yaobang also enquired about the progress of the drilling operation and the living conditions of the team members. The head of the team said that the staff and workers there received 130-160 yuan a month. This is higher than the wage in Renqiu, but the conditions there are difficult and vegetables had to be shipped in from other areas. At present the team is making calculations in order to implement the contract responsibility system. Comrade Yaobang said: That is good. If the quota is reasonably fixed and if one has overful filled it, he will be allowed to get more than 200 yuan a month.

At the end of the get-together, the members of the drilling team crowded around Comrade Yaobang to greet him and their applause reverberated through the wilderness. A young worker jumped with joy and said: "I never dreamed that I would have such good luck today as to see the general secretary of the CPC!"

#### A Visit to Herdsmen in a Yurt

The train stopped at a station near the middle of the Jining-Eren railway, an area under the jurisdiction of Ulanqab League. Hu Yaobang and his party changed to station wagons and drove along the smooth and open grassland into the distance. He was going to visit the herdsman families to know what a life they led and to solicitate their opinions.

Bao Erji's yurt was filled with laughter. This elderly hostess was busily treating her guests with tea and wine and her table was fully laid with milked tea, cakes and other food made of milk. All the people there sat on the carpet and made small talk. When Comrade Yaobang goes out to inspect work, he often visits the homes of ordinary people. Last Spring Festival he visited a household in Shenzhen. He has also visited a peasant family of Tujia nationality in the mountains in western Hunan, the family of a herdsman of Kazak nationality in Xizang, and the camp of the herdsmen of Zang nationality at the foot of Riyue Shang, Qinghai.... Now he has come to the Bayingaier grassland in Nei Monggol to visit herdsmen of Monggol nationality. Comrade Yaobang asked the hostess how much was her income. Bao Erji answered: There are six people in my family, four of whom are able-bodied workers. Last year the whole family earned over 4,000 yuan. Now we have over 300 cattle, horses, camels and sheep. That is much better than the time when the responsibility system was not implemented! Joyfully she showed her guests the silicon solar batteries which the family spent 1,000 yuan to purchase. It is good to use, but is not powerful enough. It can only supply electricity for a television set and an 8-watt fluorescent lamp.

An increasingly large number of people gathered around Bao Erji's yurt; for the herdsmen who lived nearby rushed there when they heard the news about the visit. The greeted the secretary and they all talked at once to tell him their opinions and demands. Some of them said: Now no herdsman lacks money and everyone wants to buy color television sets, refrigerators and washing machines, but the problem is that there is no electricity to make these things work.

Comrade Yaobang said to Zhou Hui: We have failed to solve the problem concerning power supply for the herdsmen of Monggol nationality. This is a major problem. This has proved that only by often making tours to the grassroots level to make repeated inspections can we discover problems. We should ask the relevant departments to research, develop and produce electric generators of greater power in order to meet the demands of the herdsmen. Before he got into the car, Hu Yaobang said goodbye to the herdsmen in the Monggol language, a phrase he had just learned, and a few boys and girls of Monggol nationality sang a song to wish the respected guests a safe journey and good health.

#### A Very Important Idea

While he was making the inspection in Nei Monggol, Comrade Yaobang repeatedly talked about one problem, namely, that the current reforms are giving rise to a great change in our country's society and the building of socialist spiritual civilization should be adapted to this great change. He said that we must pay attention to the following three things: First, we should have the idea of reform in our minds and not fear carrying out reforms; second, we should have the courage to break away from the old regulations and conventions and transfer power downward; and third, we should not neglect reforms in our lifestyle. Our lifestyle should change as the mode of production changes. The social reforms in the past were often related to the change in lifestyle, and were often manifested first in lifestyle. For example, when Dr Sun Yat-sen lead the revolution and overthrew the rule of the Qing Dynasty, he advocated wearing Chinese tunic suits and not wearing long gowns and mandarin jackets, and told men to cut off their pigtaails. Which are the major obstacles that have been left over by the old society in our country? Things of the bourgeoisie, those of the small-scale peasant economy, or those of the feudal patriarchal clan system? In my opinion, there are still lots of things of the small-scale peasant economy and of the feudal patriarchal clan system and there are also some things of the bourgeoisie. Some of our comrades often start from the habit of the life of the small-scale peasant economy and the feudal patriarchal clan system and thus regard some modern things as a bourgeois lifestyle and liberalization and criticize these things. This is wrong. In the ideology of the Chinese people, the major things are the ideology of the small-scale peasant economy and the feudal patriarchal clan system, which has been left over from thousands of years of history. We should integrate the basic principles of Marxism with the current reality and social life in our country. In order to adapt ourselves to the development of modern production, we should not be afraid of reforms in our lifestyle, nor should we be fettered by backward things. For example, the old Chinese habit of having meals is to have a group of 8 or 10 people eat from the same dishes with chopsticks. Why should we not eat from separated dishes? For another example, it is convenient to wear Western suits. Why should we not do this?

He pointed out: The total number of those who do not favor the reforms is very small. Some of them have been under the influence of "leftism," and others, a greater percentage, have been under the influence of the force of habit and the feudal patriarchal ideology. We should strive to remove and be good at removing the influence of the force of habit.

Moreover, Comrade Yaobang stressed: All cadres of the CPC should be concerned over the economy, no matter what fields they work in. The four modernizations are a task of first priority and the problems that the Secretariat has discussed most often are economic ones. Anyone who is divorced from the four modernizations and who fails to deal with economic problems will lag behind and will fail to do his work well. This is true for all cadres including those among our troops, propaganda departments, CYL organizations and schools.



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